



Daily Report

Soviet Union

FBIS-SOV-91-250
Monday
30 December 1991

Daily Report

Soviet Union

FBIS-SOV-91-250

CONTENTS

30 December 1991

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

NOTICE TO READERS: The United States Government recognizes the independence of the republics of the former Soviet Union.

NOTICE TO READERS: The name of this book will change from the "Soviet Union DAILY REPORT" to the "Central Eurasia DAILY REPORT" with the 6 January 1992 edition. The "Central Eurasia DAILY REPORT" will cover the same geographic area as the "Soviet Union DAILY REPORT."

INTERNATIONAL AFFAIRS

Worldwide Issues

Foreign Leaders Comment on Gorbachev's Role [TASS]	1
Germany, CSFR, Hungary, India Cited on Ties [TASS]	1
NATO Forms 'Important' Cooperation Council [PRAVDA 23 Dec]	2
Slavs International Society Established [Moscow TV]	3

United States & Canada

Bush Comments on Commonwealth, Issues [IZVESTIYA 28 Dec]	3
U.S. Said 'Worried' Over Commonwealth Ties [PRAVDA 30 Dec]	4

Northeast Asia

DPRK Recognizes Independence of Commonwealth [TASS]	5
South Korea Recognizes Commonwealth States [TASS]	5
Pyongyang Prepared To Sign Nuclear Accord [TASS]	6
To Allow Nuclear Inspection [TASS]	6

Near East & South Asia

Impact of Union Breakup on Near East Cited [PRAVDA 27 Dec]	6
--	---

West Europe

Gorbachev on Commonwealth, Italian Relations [TASS]	7
Writes to Norwegian Prime Minister [Moscow International]	7
Swedish Government Reportedly Expells Diplomat [IZVESTIYA 28 Dec]	7

INTERREGIONAL AFFAIRS

Political & Social

Parliamentary Commission Names Coup Organizers [INTERFAX]	9
Key Leaders Implicated in Putsch [Russian TV]	9
Lukyanov 'Could Not Be' Coup Plotter [TASS]	9
Plotter Released for Health Reasons [TASS]	10
Gorbachev: 'Not Disappointed in My Destiny' [TASS]	10
Grachev Comments on Gorbachev Resignation [TASS]	11
Gorbachev Affirms Support for Stable Borders [TASS]	11

Commonwealth Affairs

Defense Ministers Hold Conference 27 Dec [Moscow TV]	11
Further on Conference [Moscow International]	12
'Major Documents' Signed [INTERFAX]	12
Commentary on Defense Policy [Moscow International]	12
Minsk Meeting's Agenda, Impact Previewed	12
Army's Future Viewed [KRASNAYA ZVEZDA 28 Dec]	12
Members' 'Differences' Viewed [IZVESTIYA 28 Dec]	13
Problems Facing Talks Noted [TASS]	14
Leaders Arrive, Comment on Meeting, Issues	15
Kebich Remarks on Talks [Radio Rossii]	15
Belarussian Delegate on Defense Issues [INTERFAX]	15
Kyrgyzstan's Akayev Arrives [Moscow Radio]	16
Akayev Brings 3 Documents [TASS]	16
Snegur, Niyazov, Ter-Petrosyan Arrive [Moscow Radio]	16
Russia's Burbulis Previews Meeting [TASS]	17
Yeltsin Remarks on Agenda [TASS]	17
Uzbek President Arrives [TASS]	17
Kravchuk, Shaposhnikov on Nuclear Issue [TASS]	17
Kravchuk on United Strategic Forces [Moscow Radio]	18
Kazakh, Azerbaijani Presidents Comment [Moscow Radio]	18
Commonwealth Meeting Opens 30 Dec in Minsk	19
Agenda Proposed [TASS]	19
Agenda Endorsed [TASS]	19
Meeting Begins [TASS]	19
Coordinating Institutions Agreement Endorsed [TASS]	20
Two Documents Signed [Radio Rossii]	20
Shaposhnikov To Remain for 2 Months [Moscow Radio]	20

Military

Military Observer Questions Nuclear Controls [Moscow International]	21
Spokesman Denies Nuclear Contraband 'Rumors' [TASS]	21
Black Sea Fleet Fuel Down to 'Last Liters' [Kiev International]	22
Protection of Air Borders 'Complicated' [Radio Rossii]	22
1991 Troop Withdrawal From Germany Fulfilled [INTERFAX]	22

BALTIC COUNTRIES

Estonia

Trade Agreement Signed With Uzbekistan [Tallinn Radio]	23
Prime Minister on Economic Accord With Russia [TASS]	23
Ruutel Issues Statement on Troop Withdrawal [Tallinn Radio]	23
USSR Tries To Send Replacement Border Troops [BALTFAX]	23

Latvia

Godmanis Comments on Ties With Commonwealth [Riga International]	24
51,358 Army Personnel Stationed in Latvia [Riga International]	24
Swedish Experts Assess Nuclear Facilities [Riga International]	24

Lithuania

Kazakhstan Signs Economic Cooperation Accord [Vilnius Radio]	25
Vilnius Garrison Commander Interviewed [Vilnius Radio]	25
'More Intensive' Troop Movements Noted [Vilnius Radio]	26

RUSSIA

Federation Affairs

Yeltsin Delivers State of Republic Address [Moscow TV]	27
Views New Structures, Military Talks [TASS]	30
Further on Yeltsin Comments [TASS]	31
Urges 'Single Armed Forces' [Moscow TV]	31
Yeltsin, Khasbulatov View Government Powers [INTERFAX]	31
Yeltsin, Shushkevich Expect Agreement Signing [Moscow TV]	31
Foreign Minister Previews Minsk Talks [TASS]	32
Spokesman on Upcoming Commonwealth Summit [INTERFAX]	32
Yeltsin Departs for Commonwealth Meeting [TASS]	32
Yeltsin To Visit Republic's Regions After 3 Jan [TASS]	32
Yeltsin's 'Decree on Single Economic Area' [SOVETSKAYA ROSSIYA 26 Dec]	33
Yeltsin 'Tried To Prevent' Gorbachev Address [Berlin ADN]	33
Yeltsin Remarks on Abolishing All-Union TV [Moscow TV]	33
Yeltsin Decree Implements Land Reform [POSTFACTUM]	34
News Conference Held on Privatization [Russian TV]	34
Billions of Rubles Expected [INTERFAX]	35
Privatization To Encourage Foreign Investment [INTERFAX]	35
Price Deregulation, Privatization Examined [Russian TV]	35
Yeltsin Signs Privatization Decree [Russian TV]	35
Gaydar Holds News Conference on Privatization [TASS]	36
Burbulis Signs Decree on Grain Imports [ROSSIYSKAYA GAZETA 25 Dec]	36
Court Suspends Yeltsin's Ministry Decree [Moscow Radio]	37

Supreme Soviet

Deputies Debate Security Ministry Decree [ROSSIYSKAYA GAZETA 25 Dec]	37
Supreme Soviet Rescinds Yeltsin Finance Decree [Radio Rossii]	37
Gaydar Presents Budget to Supreme Soviet [TASS]	38
Interviewed on Economic Reform [Moscow Radio]	38
Predicts Stability 'by Mid-Spring' [TASS]	39
Gaydar Reports on Meeting [Russian TV]	39
Deputies Demand Resignation [TASS]	41
Transportation, Agriculture Receive Priority [Moscow Radio]	41
Supreme Soviet Adopts 2 Laws on Taxation [Moscow Radio]	41
Supreme Soviet Discusses Coup, Budget [Russian TV]	42
Coup Plotter's Arrest Rejected [TASS]	43
Legislative Expenses To Increase 'Threefold' [TASS]	43
Legislature To Exclude Press Law Amendments [Radio Rossii]	44
Presidium Sets 13 Jan Russian Press Day [TASS]	44
Legislature Ends Activity of USSR Deputies [TASS]	44
Supreme Soviet Official on Privatization [Radio Rossii]	44
Price Liberalization Impact Softened [Moscow TV]	44
Presidium Examines Privatization Plan [Radio Rossii]	45

WESTERN REPUBLICS

Belarus

Bilateral Treaty Signed With Kyrgyzstan [TASS]	46
Prices To Be Liberalized Starting 3 Jan [TASS]	46
No 'Special Optimism' Over CIS Meeting [PRAVDA 28 Dec]	46

Moldova

Snegur Cites Goals Before Departing for Minsk [Bucharest Radio]	47
Snegur, Army Reach Agreement on National Army [Radio Rossii]	47
Decree Subordinates Union Defense Units [Bucharest ROMPRES]	47
Prime Minister Meets With Romanian Counterpart [TASS]	47

Ukraine

Leader Wants EC Role, No Part in Military Bloc [Moscow TV]	48
Kravchuk Outlines Domestic, Foreign Policy [TASS]	48
Official on Defense Relationship With CIS [Radio Rossii]	48
Officials Note Differences With CIS States [KOMSOMOLSKAYA PRAVDA 27 Dec]	48
Minister: Nuclear Controls Not 'Resolved' [TASS]	49
Kravchuk Confers With Defense Ministry [NEZAVISIMAYA GAZETA 17 Dec]	49
Kiev To Host Talks on Fleet, Military Control [INTERFAX]	50
National Guard Creation Under Way [Radio Rossii]	50
Kiev Recruiting 30,000 To Join National Guard [TASS]	50
Kiev To Gradually Exclude Ruble From Markets [INTERFAX]	51
Republican Party Demands Cabinet Resign [INTERFAX]	51
Diplomatic Relations Established With Israel [INTERFAX]	51
France Recognizes Republic, Upgrades Relations [TASS]	51

CAUCASUS

Armenia

Leader on Foreign Ties, Gorbachev Resignation [INTERFAX]	52
--	----

Azerbaijan

Nagorno-Karabakh Elections Held Amid Shelling [Yerevan Radio]	52
Troop Withdrawal 'Being Completed' [TASS]	52
Tanks, Armor Units Move In [INTERFAX]	52
Units 'Massively Shelling' Stepanakert [TASS]	53
Official Rejects Talks Within CIS [Moscow TV]	53

Georgia

Reportage Highlights Tbilisi Crisis Events	53
Opposition Leaders Freed [INTERFAX]	53
Further on Freed Leaders [INTERFAX]	53
U.S. Recognition 'Total Surprise' [INTERFAX]	54
Opposition Hold Rally [TASS]	54
President's Supporters Not 'Demoralized' [Radio Rossii]	54
'Chaos,' Crime Reported [Moscow Radio]	55
President Blamed for 'Tragedy' [TASS]	55
Talks Under Way [Moscow Radio]	56
Cease-Fire Worked Out [Moscow International]	56
Military Asked To Attend Talks [TASS]	56
AFP Notes Participants	56
Power Given to Supreme Soviet Head [Moscow Radio]	57
Supporters Join Resignation Demand [Moscow International]	57
Artillery Fire Reportedly Resumes [Radio Rossii]	58
AFP Says 40 Supporters Surrender	58
President Guaranteed Safe Departure [TASS]	58
Opposition Declares President 'Deposed' [Berlin ADN]	58
Opposition Ousted From Building [Moscow International]	58
Standoff, 'Lawlessness' Continue [Moscow Radio]	58
Deputy Defense Minister Dismissed [TASS]	59
Shooting Continues in South Ossetia [TASS]	59
Troops Diverted to Tbilisi [TASS]	59

Worldwide Issues

Foreign Leaders Comment on Gorbachev's Role

LD2712161991 Moscow TASS in English 1504 GMT
27 Dec 91

[Text] Prague December 27 TASS—"Your efforts have, above all, helped the people of your own country to evolve from a colonial empire to a Commonwealth of free and independent states due to your initiatives," Czechoslovak President Vaclav Havel stressed in his telegram to Mikhail Gorbachev.

"You have also helped Czechoslovakia and other Central European states to cease to be rightless satellites and to regain freedom, sovereignty and independence. You helped all the world to end the 'cold war' and the arms race," Havel noted.

Rome. "I think it is premature to write an obituary about Mikhail Gorbachev. Instead, we must bare our heads in his honour". This is the view expressed by Chairman of the Italian Council of Ministers Giulio Andreotti during a TV interview here.

Summing up the results of Gorbachev's efforts as leader of the USSR, the Italian premier stressed that "six years of the policy of intensive international cooperation have yielded enormous results. Now the time has come to put everything straight. Anything may happen during this period." Andreotti called attention to the problem of ridding the territories of independent states, former republics of the Soviet Union, of tactical and nuclear weapons.

London. Labour Party Leader Neil Kinnock believes Mikhail Gorbachev's efforts deserve universal recognition. He said Gorbachev was undoubtedly not only an outstanding political leader, but one of the greatest liberators in history.

According to Liberal Democratic Party Leader Paddy Ashdown, the dimensions of Gorbachev's contribution to modern history are unfathomable. Ashdown believes Gorbachev was able to carry out the necessary reforms, however, he leaves a dangerous instability after he stepped down.

Ex-Premier Margaret Thatcher said Gorbachev and other leaders (Reagan and herself—TASS) were able to achieve much for the sake of a more durable peace and world democracy.

Paris. "UNESCO Director-General Federico Mayor warmly greets Mikhail Gorbachev as an extraordinary personality, whose initiatives allowed the USSR to accomplish a historical switchover to freedom and democracy," says a communique circulated in the headquarters of this international organisation.

"Mikhail Gorbachev has played a historical role in laying foundations for peace on our planet, for bringing down ideological barriers, for ending the arms race and

paving the way to democracy for nations, suffering from totalitarianism," the document stresses.

Washington. The newspaper "U.S. TODAY" [as received] says that Mikhail Gorbachev is probably the only leader in history, who has earned the world's admiration for...losing an empire. In 1985 he appeared on the scene as a gust of fresh air, the newspaper says. Tight-rope balancing between rightists and leftists is an equally notable feature of his legacy as perestroika and glasnost. He was a gifted juggler of right-wingers against left-wingers, and vice-versa. But finally he was renounced by both sides, the newspaper notes.

The "WASHINGTON TIMES" says that Gorbachev will be remembered for opening the way to democratic forces, for his policy of perestroika and glasnost. However, the newspaper says, his inability to provide food to the people and unwillingness to make bolder steps forward in economic reforms doomed him to failure.

Germany, CSFR, Hungary, India Cited on Ties

LD2712141291 Moscow TASS in English 1339 GMT
27 Dec 91

[Text] Bonn December 27 TASS—"The Federal Republic of Germany has established diplomatic relations with the Russian Federation and has 'switched over' to it the diplomatic relations it had with the Soviet Union," an official spokesman of the German Foreign Ministry has announced here.

"At the same time," he continued, "Germany has recognised Ukraine, which has declared its compliance with the list of criteria, formulated by the European Community for the new states".

Recognition of the other republics of the former Soviet Union and the establishment of diplomatic relations with them will be effected as soon as they agree to the EC criteria.

Prague. "The Government of the Czech and Slovak Federative Republic hails the Commonwealth of Independent States and the sovereignty of the republics of the former USSR," says a statement released by the supreme executive body of Czechoslovakia.

"The Government of Czechoslovakia recognises the Russian Federation as successor of the USSR in international organisations, including the United Nations and its Security Council. The Czechoslovak Government is ready to recognise the independence of other republics of the former USSR and to open talks with them on the establishment of diplomatic relations," the document notes.

Budapest. "The Hungarian Republic recognises the Commonwealth of Independent States and welcomes the Russian Federation's desire to succeed the USSR in the U.N. Security Council," says a statement issued by the Hungarian Government.

"Hungary is prepared to quickly establish diplomatic relations with the sovereign states of the new Commonwealth," the document stresses.

Diplomatic relations have already been established with Russia and Ukraine. Corresponding talks have been started with Belarus and Moldova.

New Delhi. "India has officially recognised all the members of the Commonwealth of Independent States, including Georgia, secretary for foreign affairs of the Indian Foreign Ministry Jyotindra Nath Dixit has announced here.

It has also been decided to open Indian diplomatic missions in the capitals of Belarus, Kazakhstan and Ukraine, as well as to raise the status of the Indian consulate in Tashkent. Indian consular missions will also be opened in Vladivostok and St. Petersburg. The Indian Embassy in Moscow will continue to discharge its functions.

NATO Forms 'Important' Cooperation Council

*PM2912142591 Moscow PRAVDA in Russian
23 Dec 91 p 4*

[Vladimir Peresada article: "From 'Cold War' to Security"]

[Text] Brussels, 22 Dec—NATO Headquarters in Brussels has become the scene of events which can rightfully be ranked among the most important in world political life. A meeting held there between NATO member countries, Central and East European states, and the Baltic states, formed an institution for cooperation—the North Atlantic Cooperation Council [NACC]—unprecedented in East-West relations.

The meeting was held at the foreign ministry level. There were 24 ministers present at it. The special nature of the current situation in our country prevented us from having a representative of similar rank there. Ambassador to Belgium N. Afanasyevskiy, who deals with the maintenance of official ties with NATO, was present at the session as an observer with the consent of the sovereign states.

The participants in the meeting were very interested in the appeal sent to them by Russian President B.N. Yeltsin. It said among other things:

"We have a serious approach to relations with the North Atlantic Alliance and we would like to develop dialogue and contacts with it in all kinds of ways, both on a political level and on a military level. Today we are raising the question of Russia's joining NATO, but we are prepared to see this as a long-term political aim...

"Russia and the other members of the Commonwealth of Independent States [CIS] which is being formed at present intend to pursue a course of strengthening international peace and security. They guarantee that all international commitments stemming from the former USSR's treaties and agreements will be honored. Special attention will be devoted to ensuring unified control of

nuclear weapons and their nonproliferation. We are convinced that all this will create the necessary preconditions for the formation of a reliable collective security system in Europe with the participation of members of the CIS and also, naturally, the United States and Canada.

"We expect that Russia, just like the other Commonwealth member states, will be able to make a significant contribution to the work of the Atlantic Cooperation Council, and it is prepared to participate in its subsequent sessions."

The council's statement was adopted at the meeting. The document calls the actual formation of this institution "an historic step forward," and declares its aim to be the creation of relations between NATO and the Central and East European countries on the basis of genuine partnership.

Welcoming the fact that the era of confrontation and division in European relations has become a thing of the past, the participants in the council stressed that they intend to work on the creation of a new and lasting peace order on the continent. Asserting NATO's positive influence as a stability factor, they stated that their common aim is to assist in raising the level of European security by strengthening stability in Central and East Europe.

The document expressed with new intensity the idea that security is indivisible. The security of each of our countries is indissolubly linked with the security of all the states participating in the common European process. Therefore the strengthening of free democratic societies on the continent and their safekeeping from any forms of coercion and intimidation concerns us all.

The participants in the council stated that their new joint work will make it possible to consolidate the CSCE's role and achieve its aims without damaging its competence or mechanisms. We want to create a structure for a new Europe, the document says, that will be firmly based on the principles and provisions of the Helsinki Final Act and the Paris Charter. Today security is based on a broad concept which, along with defense, embraces political, economic, social, and ecological aspects more than ever before.

For this reason, the document goes on to say, the network of collaborating institutions in which the CSCE, NATO, the EC, the Western European Union, and the European Council complement each other, is the best way of guaranteeing the freedom, security, and prosperity of all European and North American states.

The further development of the disarmament process was named as a key task. The participants in the NACC will aim for the full implementation of the Treaty on Conventional Armed Forces in Europe and the Strategic Offensive Arms Treaty, and they will also seek to ensure security at the lowest arms levels.

The document stresses the need to ensure that the Treaty on the Nonproliferation of Nuclear Weapons is strictly

observed, to prevent any steps that may lead to the proliferation of these or other weapons of mass destruction, and to adopt tough measures to prevent the unsanctioned export of nuclear or other destabilizing military technologies. The hope is expressed that secure, responsible, and reliable control of these weapons under one unified command will be ensured in the former Soviet Union.

The statement formulates the procedure for the NACC's activity. The annual meetings at ministerial level will constitute a very important forum and will be held in Brussels as a rule, in coordination with the NATO fall session. But there may be exceptions, for example the next meeting will be held in Oslo in June. Once every two months meetings will be held between NATO and its partners on relations at the ambassadorial level (the next one is in February). Other forms of consultations, including with various NATO committees, are also envisaged.

All these meetings will focus on security and related questions, notably military planning, arms control, the conversion of the defense industry, democratic concepts of relations between civilians and the military, and so on. The participation of East European countries in NATO's scientific and environmental programs will be increased and the circulation of information about the alliance in these countries will be extended.

In a word, in Brussels the West and the East took a major new step toward creating a foundation of genuine common European security on the ruins of the "cold war."

Slavs International Society Established

LD2712230691 Moscow Central Television First Program Network in Russian 1600 GMT 26 Dec 91

[From the "Television News Service" program]

[Text] The constituent conference of the Slavs [Slavyane] International Society has completed work in Ryazan.

[Correspondent A. Naymushin] It was attended by scientists, writers, workers, rural laborers, cultural figures, and clergymen of Russia and Ukraine. They discussed the main areas of activity, adopted rules, and elected the council of the society which is true to the good traditions of the pan-Slavic committee whose history includes the 19th century and anti-Fascist struggle during World War II. The Slavs International Society will have branches in other states.

[Professor V. Volkov, member of the council of the Slavs Society] The Society sees one of its main goals in preventing the undesirable exacerbation of relations between the fraternal peoples of Russia, Ukraine, and Belarus and in promoting their profound mutual understanding and knowing each other better.

United States & Canada

Bush Comments on Commonwealth, Issues

PM3012114791 Moscow IZVESTIYA in Russian
28 Dec 91 Union Edition p 7

[Correspondent A. Blinov report: "G. Bush: Meeting With Russian President Would Be Desirable Soon"]

[Text] Washington—On Thursday, 26 December, U.S. President G. Bush signed the instrument of ratification of the Treaty on Conventional Forces in Europe, which had earlier been approved by the U.S. Senate.

This took place at a special ceremony in the White House Oval Office attended by U.S. Defense Secretary R. Cheney and General C. Powell, chairman of the U.S. Joint Chiefs of Staff. As U.S. Administration spokesmen stress, the United States is hoping that all the republics of the former Soviet Union—a party to the treaty—will ratify this international agreement and it will enter into force.

The question of the prospect of concluding further arms reduction treaties was raised at the news conference which G. Bush held that same day and at which the U.S. President announced the appointment of Barbara Franklin as the new U.S. secretary of commerce (replacing Robert Mosbacher, who has "gone" to Bush's election campaign). The President was asked whether it would not be more difficult to reach agreement on arms reduction with all the republics forming the Commonwealth of Independent States than it was formerly with the single Soviet Union.

"I think it will be easier, much easier, and the reason is that they do not regard the United States as an enemy, as was the case throughout the 'cold war' years. Judging by the explanations offered by the presidents of various republics, I believe that it will be much easier than it was in the past to elaborate additional arms control agreements according with the interests of peace and specifically those of the United States. So I think that the changes that have led to the creation of the Commonwealth will facilitate further progress in arms reduction," G. Bush declared.

[Question] Are you satisfied with Boris Yeltsin's assurances that he will do his utmost never to use the nuclear button? Are you satisfied with the extent to which he can control this huge arsenal spread across four republics, bearing in mind the continuing economic instability there?

[Bush] We have appropriate assurances from all the republics, the republics which, as I disclosed yesterday, we are intending to recognize, the ones that have nuclear weapons. Our experts, who have maintained contacts at the specialist level, see no reasons for concern about this. Naturally, I have received repeated assurances about this from Boris Yeltsin.

[Question] In your speech yesterday you warned of the existing possibility of the emergence of instability and chaos in the Commonwealth of these republics. What specifically worries you?

[Bush] I am worried by the economic privation. That is point one. Second, I am worried by the fact that the implementation of bold free market reforms will lead to difficulties... It is not easy to make the transition from a highly centralized economy, although it is in a state of collapse, to a bold and innovative phenomenon like a market economy. Moreover, it will take time for them to attract investment. So I think that we should give them what help we can with food and provide what help we can with medicines and as far as possible with capital investments...

[Question] Would you like to meet with Yeltsin in the very near future?

[Bush] Of course. We have actually spoken about this, and he believes this would be important. No date has been mentioned as yet. But clearly we would like to maintain very, very close relations with the leader of the biggest republic, which we believe should occupy the seat of permanent member of the UN Security Council... And as you know, President Yeltsin and I have maintained close contact, and this will continue. I believe a meeting in the near future would be important, and I think he agrees with this.

U.S. Said 'Worried' Over Commonwealth Ties

PM3012105591 Moscow PRAVDA in Russian
30 Dec 91 p 5

[Correspondent Vladislav Drobkov, V.D., "View From Washington": "More Questions Than Answers. U.S. Capital Worried by Prospects for U.S. Relations With Commonwealth of Independent States"]

[Text] Long before the former president of the former Soviet Union laid down the powers of supreme commander in chief, a debate had developed in the U.S. capital about the future of the Soviet nuclear potential and the consequences that its fate would have for U.S. relations with the Commonwealth of Independent States. This problem has been and remains central in determining the U.S. stance regarding the Commonwealth.

Now that control over the inconceivably destructive arsenal has passed into the hands of Russian President B.N. Yeltsin, people in the United States are expressing the hope that the process of the reduction of arms, primarily nuclear arms, initiated by two U.S. presidents' historic accords with M.S. Gorbachev can be not only continued but accelerated. Clearly showing his readiness to follow the agreements reached earlier, President Bush signed Thursday [26 December] the Treaty on Conventional Forces in Europe signed in November of last year in Paris.

Admittedly, people here immediately pointed out that the disintegration of the USSR—one of the parties to the Paris Treaty—could create additional problems for the implementation of this document. After all, the independent republics themselves can now determine measures to reduce armed forces and armaments on their territories covered by the operation of the agreement reached a little over a year ago.

As U.S. President Bush stated Thursday after explanations he had received in recent telephone conversations with M.S. Gorbachev and B.N. Yeltsin (they were in almost daily contact with one another—V.D.), he does not feel concern about the fate of the Soviet nuclear potential. Moreover, the U.S. President said that now it will actually be easier to hold arms reduction talks than it was in the past. He expressed his intention to meet with the Russian president in the very near future to discuss problems of mutual interest. That same day G. Bush confirmed the U.S. readiness to help the peoples of the former Soviet Union with food, medicines, and investment.

It is believed here that the Russian president may pay an official visit to the United States in the next few weeks. According to THE WASHINGTON POST, the U.S. President and his leading aides viewed B.N. Yeltsin without enthusiasm and sometimes even with irritation when he was competing with M.S. Gorbachev. But now commentaries here have become more positive.

Bush's meeting with Yeltsin will be aimed at establishing close working relationships with the leader who now controls thousands of strategic nuclear warheads targeted on the United States and whose republic will occupy the seat on the UN Security Council that formerly belonged to the USSR. The seat of a permanent member with the right of veto, unnamed officials told the newspaper.

Nevertheless, prospects for relations between the United States and the heirs of the collapsed nuclear superpower appear by no means as simple as might appear at first glance. And people are now speaking about this with increasing concern in Washington.

Above all, U.S. politicians and military men are worried by the future of the nuclear munitions that do not fall within the individual control of the Russian leadership. People here greeted with concern Kazakh President N. Nazarbayev's statement that his republic intends to reserve the right to control nuclear weapons stationed on its territory. It is also still unclear how and when the weapons based in Ukraine and Belarus will pass into Russian control.

In addition to everything else, the process of the destruction of nuclear munitions, even those that are fated to be scrapped even under former Soviet-U.S. accords, will take many years. How will events on the territory of the former USSR develop during this time?

The United States would like the destruction of nuclear munitions to take place as fast as possible. Some \$400 million has been earmarked from the Pentagon budget for these purposes. U.S. specialists and equipment may arrive here as early as next month to help "dismantle" nuclear charges. However, as was recently admitted here, the Pentagon still does not even have a specific plan for this work. All the indications are that the swift collapse of the former "potential enemy" came as a surprise even to the U.S. military department...

Nor does the United States feel firmly confident that there are cloudless prospects for cooperation among the republics forming the Commonwealth. In both the military and economic spheres. People here greeted with anxiety the report on the friction that has already emerged between Russia and Ukraine on certain financial questions and on problems of the "transparency" of borders. The Americans believe that not all the republics are prepared to agree to the Russian plan to abolish all price controls, fearing that the hyperinflation that is inevitable in that event will also hit their economies.

Washington observers and analysts also continue to be worried by the unceasing interethnic clashes in various parts of the Commonwealth, and also the unprecedented flareup of violence in Georgia, which has refused to join it. Incidentally, U.S. Secretary of State James Baker has described the present Georgian Government as "authoritarian" and "undeserving of our recognition or support." This statement prompted a protest from the "Georgian information bureau" operating here, which sent the secretary of state a letter and an invitation to send a special U.S. fact-finding mission to Georgia.

Will the independent republics be able to extinguish the hotbeds of regional conflict that the "center" that has now vanished into oblivion was never able to settle? The Americans have no clear answer to this question either.

After announcing the establishment of diplomatic relations with six of the independent republics forming the Commonwealth (appropriate official messages are now being sent to them—V.D.), Washington has decided for the moment to delay diplomatic recognition of the remaining five. People here link this step to the lack of firm confidence on the part of the United States regarding the extent to which their domestic and foreign policy will accord with U.S. principles of freedom, democracy, and observance of human rights. However, this "differentiated approach" toward the members of the Commonwealth attests not only that the United States is uncertain of the democratic maturity of a number of them, but also that future relations are fraught with friction and complications.

Thus as yet there are more questions than specific answers in the U.S. position regarding our future and the future of our relations. One thing is clear: The United States is extremely interested in ensuring that the process of change on the territory of the "former Soviet former

Union" proceeds as far as possible without complications and zigzags. And, most importantly of all, without the loss of unified control over even a small proportion of the nuclear potential of the destroyed superpower. Without antagonism among the members of the Commonwealth. It is precisely this that people here regard as according with U.S. national interests, and they are prepared to expend considerable efforts and resources on this purpose. It is for precisely this purpose that the U.S. Administration is proposing to hold an international conference in Washington in January to coordinate aid to the former USSR.

Northeast Asia

DPRK Recognizes Independence of Commonwealth

LD2712175391 Moscow TASS in English 0942 GMT
27 Dec 91

[By TASS correspondent Vladimir Nadashkevich]

"The Korean People's Democratic Republic, which disapproved the Soviet Union's disintegration, has officially recognised the nations-members of the Commonwealth of Independent States," the Central Telegraph Agency of Korea reported today.

"The Government of the Korean People's Democratic Republic welcomes the Commonwealth's formation, recognises the independence of these states and expresses readiness to develop friendship and cooperation with them in various areas, in keeping with ideals of independence, peace and friendship," says a letter addressed to all the Commonwealth foreign ministers by vice-premier of the North Korean Administrative Council, Foreign Minister Kim Yong-nam.

South Korea Recognizes Commonwealth States

LD3012124291 Moscow TASS in English 1123 GMT
30 Dec 91

[By TASS correspondent Ivan Zakharchenko]

[Text] Seoul December 30 (TASS)—South Korea has recognised the ten former Soviet republics—members of the new Commonwealth of Independent States, YONHAP news agency announced on Monday [30 December].

Referring to Foreign Ministry officials, YONHAP reported Seoul will open consulates general in each capital of the independent states.

Seoul recognised the Russian Federation on Friday. Ukraine, Belarus, Kazakhstan, Uzbekistan, Turkmenistan, Tadjikistan, Kyrgyzstan, Azerbaijan, Armenia and Moldavia followed.

Pyongyang Prepared To Sign Nuclear Accord*LD2912103591 Moscow TASS in English 1011 GMT
29 Dec 91*

[By TASS diplomatic correspondents Georgiy Shmelev and Aleksey Luzin]

[Text] Moscow December 29 TASS—The Democratic People's Republic of Korea (DPRK) is prepared to sign an agreement on guarantees to the treaty on non-proliferation of nuclear weapons and would agree to inspection in accordance with the established procedure, Son Song-pil, North Korean ambassador in Moscow, told TASS today.

South Korea's recent statement that "not a single nuclear weapon has remained in the south of the peninsula" was welcomed in the DPRK, the ambassador said.

If U.S. nuclear weapons have been fully removed from South Korea, this, in the ambassador's opinion, is an illustration of "a great triumph of our nation that has persistently striven for the elimination of the menace of a nuclear war".

At the same time he emphasised that when the DPRK undergoes an inspection under a nuclear safeguards accord, "it is essential to carry out a simultaneous inspection in South Korea to verify and confirm the fact that U.S. nuclear weapons are absent from the south of the Korean peninsula".

The North Korean ambassador voiced regret over the fact that the United Nations has not up to now officially confirmed the fact of removal of nuclear weapons from South Korea's territory. He pointed out that Pyongyang hopes that the U.S. side will clarify its position.

The South Korean "declaration on the ensurance of a non-nuclear status" followed the DPRK's proposal to make the Korean peninsula a nuclear-free zone, the ambassador emphasised.

He believes that North and South Korea should immediately adopt a joint declaration on making the Korean peninsula a nuclear-free zone.

To Allow Nuclear Inspection*LD2812031391 Moscow TASS in English 0851 GMT
28 Dec 91*

[By TASS correspondent Aleksander Krolikov]

[Text] Moscow December 27 TASS—Son Song-pil, North Korean ambassador to Moscow said at a press conference on Wednesday [25 December] that his country is ready to meet officials of the International Atomic Energy Agency. North Korea will sign an agreement on nuclear guarantees if the United States officially announces that it does not have any nuclear weapons on South Korean territory.

The South Korean Government said on December 18 no U.S. nuclear weapons remain on its territory, but the United States still keeps silent on the subject, the ambassador said.

Nuclear inspection should be conducted in South Korea. To carry out an inspection in North Korea additional negotiations between the U.S. and North Korea are necessary "to consider certain questions and problems of averting "the nuclear threat," the ambassador said.

Near East & South Asia**Impact of Union Breakup on Near East Cited***PM2712164091 Moscow PRAVDA in Russian
27 Dec 91 p 5*

[Yuriy Glukhov article under the general heading "Next Year: Our Prediction": "Near East: Last Chance"]

[Text] The peace offensive in the Near East which began in 1991 is in danger of stalling. That is a pity. Let us remember what efforts it cost to drag the participants in the Arab-Israeli conflict to the conference table! How many times U.S. Secretary of State J. Baker had to hang around the capitals of the Near East! How zealously A. Bessmertnykh and B. Pankin did their bit! But as yet the burden of the talks is still bogged down in procedural questions.

Given the wish to do so, it would have been easy to avoid clashes. The Israelis, for instance, could easily have shown punctuality and arrived at the Washington talks on time—4 December. They could also have shown some respect for their host, the United States, and at least refrained from biting the hand that feeds them. Nor need they have made a scene about direct contacts with the Palestinians, outside the context of the Palestinian-Jordanian delegation, if they are really committed to a settlement. After all, the Palestinian question is the most complex and requires special attention.

Behind all these games we can perceive not simply the desire to display "autonomy," the independence of the Israeli position from Washington. The temptation of strong-arm solutions is still strong. This behavior has a logic of its own. From the viewpoint of Israeli politicians there is no reason to make concessions to the Arabs. They are weakened and divided. Their main ally—the Soviet Union—is no more. The United States has a monopoly of the settlement process, which means there is a chance of twisting the Arabs' arms with the help of a reliable American sponsor.

Hence the hard Israeli line. Hence the continuing policy of "faits accomplis"—the building of settlements in the occupied Arab lands. Hence the refusal to recognize the PLO and conduct direct dialogue with the Palestinians. (Let us observe that, while sovereignties flourish in the former USSR, the "only democracy in the Near East," as

they call Israel, opposes the sovereignization of the Palestinians, although it is recognized by the United Nations.)

The usual target of critical arrows in the Near East settlement, and not without reason, has been the position of the Arab countries. But now that a unique opportunity has presented itself for a peaceful solution to the protracted conflict, one is struck by the featurelessness, inactivity, and lack of enterprise shown by Israeli diplomacy, which has yet to propose a single fresh idea. However, it was traditionally the Israeli military, not the diplomats, who made the political weather in the Near East. Their victories ensured a safety margin. Diplomacy tagged along behind, serving the policy of strength, which requires no special art, no effort to understand the opponent, and no quest for compromise. I think Israeli diplomacy has made a considerable contribution toward dragging out the Near East conflict. It has not striven to anticipate or preempt events.

After the 1967 war Israel did not take advantage of the mission of the UN secretary general's representative G. Yarring, nor of the plan put forward by U.S. Secretary of State Rogers, although Egypt, for instance, occupied a position of goodwill. It was a question of implementing UN Security Council Resolution 242. In the event they had to fulfill this resolution, at least in part, and withdraw from the Sinai peninsula. But only after a new war and new casualties, in 1973.

Israel's rejection of the PLO and attempts to crush the Palestinian resistance movement are associated with the invasion of Lebanon in 1982. What was its outcome? They had to withdraw from the greater part of Lebanese territory, leaving a legacy of blood and losing face. The resistance movement moved across to the occupied territories and became the uprising—the Intifadah.

There were political mistakes here that could have been avoided. Despite the lessons of the past, the arrogance of strength is once again manifested with full force which means that the chance for a peaceful settlement could be lost—probably the last chance.

With each spiral of the Near East crisis Israel becomes more vulnerable. Territorial acquisitions cannot save it, as became particularly clear during the war in the Persian Gulf. Hope in the U.S. umbrella is dubious, since Israel itself is becoming an arena of hostilities. The disintegration of the USSR has caused even more destabilization in the region. The sympathies of the Muslim republics of the CIS [Commonwealth of Independent States] are in the main on the side of the Arabs, while the threat of proliferation of nuclear weapons has increased. As the settlement process is prolonged, so the front of rejection of talks with Israel will spread.

There is one consolation: After the USSR's departure from the political arena, there will be no third world war over the Near East. It will be a local Arab-Israeli conflict,

with a struggle over spheres of influence by leading industrial states. But will that be any consolation for Israel and the Arabs?

West Europe

Gorbachev on Commonwealth, Italian Relations

LD2712220191 Moscow TASS International Service
in Russian 1910 GMT 27 Dec 91

[By Tass correspondent Aleksey Bukalov]

[Text] Rome, 27 Dec (TASS)—Quirinal Palace has in its possession the text of the farewell message that Mikhail Gorbachev sent to Italian President Cossiga. The Soviet Union does not exist any more as a unified state, Gorbachev writes. But the people who have lived in this Union for so long and the new states that have been formed on the territory that belonged to it and that have now created a commonwealth, have inherited a very rich history, deep democratic changes that have been carried out in recent years, and international obligations and agreements that have been concluded under the banner of new thinking.

The former USSR president expresses the hope that the Commonwealth and the states that comprise it will manage to acquire a respectable place in the world and become a creative force and a stronghold of international security and stability. He also expressed the wish that Italy develop good and mutually beneficial relations with the countries of the Commonwealth.

Gorbachev states in his message that he does not intend to cease political and public activities. "I intend to use all my capabilities for the success of the cause to which I fully devoted myself since I began perestroika six years ago," Gorbachev writes to the Italian president.

Writes to Norwegian Prime Minister

LD2812193291 Moscow Radio Moscow World Service
in English 2000 GMT 27 Dec 91

[Text] Mr. Gorbachev says he is sure that the new Commonwealth of Independent States will serve the purposes of a new world order. In a letter to the Norwegian prime minister, Gro Harlem Brundtland, he stressed that the new Commonwealth, replacing the old Union, would be able to meet global challenges of recent years. On his own resignation Mr. Gorbachev said although he was going through hard times the nation had made its own choice for the sake of the future.

Swedish Government Reportedly Expells Diplomat

PM3012114191 Moscow IZVESTIYA in Russian
28 Dec 91 Union Edition p 7

[Untitled report from REUTER, TASS, UPI, AP, and AFP roundup]

[Text] The TV-4 television channel in Stockholm has reported that the Swedish Government has expelled from the country a diplomat of the "former Soviet Embassy" in Stockholm for "relaying intelligence data

about the Swedish defense industry to the Soviet Army." The diplomat was not named, but it is claimed he was first secretary at the embassy. A Swedish Foreign Ministry spokesman refused to comment on the report.

Political & Social

Parliamentary Commission Names Coup Organizers

OW2812082591 Moscow INTERFAX in English
2026 GMT 27 Dec 92

[Transmitted via KYODO]

[Text] Aleksandr Obolenskiy, head of the special commission appointed by the ex-USSR Supreme Soviet to investigate last August's coup d'etat, met with journalists Friday [27 December] to read a report that should have been submitted to the national parliament. Mr. Obolenskiy noted that the recent political changes in the country made his commission's further work objectively impossible.

He cited facts revealing that the key role in the putsch had been played by the KGB. Thirty-two senior security officers had been proven, in the course of an internal investigation, to have been involved in the coup. Only 7 of them had been dismissed since then, six others had moved to the republican security structures, and one, Maj. Gen. Buliygin, had been promoted to a higher post.

Mr. Obolenskiy complained that his commission had failed to obtain copies of the reports which the USSR State Security Committee had sent Russia's leader Boris Yeltsin since November 1990 [date as received]. Analysis of the information submitted to the top USSR and RSFSR administrators might have made it clear whether the coup had been deliberate or spontaneous, he said.

According to Mr Obolenskiy, the commission established that the command of the Transcaucasian Military District had agreed with the Georgian Interior Ministry on August 20 to pool efforts in support of the Emergency Committee. Gen Varennikov's coded cable dated August 19 shows that the Ukrainian leaders Leonid Kravchuk and Konstantin Masik agreed to support the Emergency Committee if they were persuaded that the latter's actions would be lawful.

The Soviet Air Force's helicopter units took part in preparing the Emergency Committee's military operations until they were stopped by the air force commander Marshal Shaposhnikov on August 20, Mr Obolenskiy said.

The commission concluded that the CPSU had not been a passive onlooker in the coup. Among the republican Communist party leaders who had agreed to support the putschists, Mr. Obolenskiy listed Mr. Gurenko (the Ukraine), Mr. Mutalibov (Azerbaijan), Mr. Niyazov (Turkmenistan), and the current Georgian president Mr. Gamsakhurdia. The Uzbekistani CP [Communist Party] leader Islam Karimov had expressed his support for the Emergency Committee's actions through his Secretariat.

The Kazakh CP chairman Mr. Nazarbayev and his Estonian colleague Mr. Sillari had refused to support the Politburo statement issued by the coup organizers.

Aleksandr Obolenskiy said his commission had evidence that the former head of the USSR TV and Radio Committee (Gosteleradio), Leonid Kravchenko, had been involved in the coup d'etat.

Obolenskiy's deputy Vladimir Yudin said that although the putschists had reserved a key role in their plans for the then head of the USSR Supreme Soviet Anatoliy Lukyanov, the commission found out that Mr. Lukyanov had not known the date of the coup.

Key Leaders Implicated in Putsch

LD2712193791 Moscow Russian Television Network
in Russian 1800 GMT 27 Dec 91

[From the "Vesti" newscast]

[Text] The parliamentary commission of the former USSR Supreme Soviet held its last news conference on the materials from the investigation into the coup d'etat. Journalists found out a number of interesting conclusions by the commission concerning, among other things, the KGB's role in the putsch. Thus on the basis of a whole series of secret letters and coded communications a representation was made to Vadim Bakatin's department on the dismissal of 32 high-ranking officers who took active part in the coup. But only seven have been dismissed so far. Twenty-five continue to work, and have even been promoted. Six people have been transferred to the Russian security organs. The commission's chairman, Lubenchenko, also read out a number of documents revealing the conduct of the leaders of the now sovereign republics during the state of emergency.

The leader of Ukraine, Kravchuk, according to a coded message from General Varennikov, initially reacted negatively to the putschists. But after a constructive conversation agreed to fulfill the SCSE (state emergency committee) measures in order to implement legality, demanding at the same time written confirmation from Moscow.

The commission has similar documents regarding Gamsakhurdia and Mutalibov who accepted the SCSE without reservations. At the same time it must be added that this evidence is from the highest officials in the Army and KGB. A real assessment can be made only by the republican commissions investigating the putschists actions.

Lukyanov 'Could Not Be' Coup Plotter

LD2712234491 Moscow TASS International Service
in Russian 1634 GMT 27 Dec 91

[By TASS correspondent Ivan Novikov]

[Text] Moscow, 27 Dec (TASS)—The organizers of the SCSE (state emergency committee) assigned Anatoliy Lukyanov, chairman of the former USSR parliament, one of the key roles in the event of the putsch's victory, but he himself could not be one of the plotters—this was

the conclusion of the commission investigating the reasons and circumstances of the coup d'etat in the USSR. Commission members produced their conclusions at a news conference today in Moscow. On the basis of documents that the parliamentarians analyzed, the active role of the USSR KGB and the Soviet Army in organizing and carrying out the putsch was confirmed, as was the participation in the coup by the CPSU Central Committee's Politburo and Secretariat. The commission's chairman, Deputy Aleksandr Obolenskiy, stressed that, while investigating the case of the putsch, the commission was not given many documents from former state structures which it had requested, and therefore it cannot reach full conclusions.

Plotter Released for Health Reasons

LD2712150491 Moscow TASS in English
1350 GMT 27 Dec 91

[By TASS correspondent Gennadiy Talalayev]

[Text] Moscow December 27 TASS—Valeriy Boldin, former head of Mikhail Gorbachev's office and an accomplice of the August failed coup, was released from custody on Friday [27 December] for health reasons, the Russian Procurator's Office announced.

Boldin has several chronic diseases and his health has sharply deteriorated of late, TASS was told at the procurator's press office. Medical experts stated that Boldin needs a hospital treatment and his interrogations must be stopped. The experts also said he can no longer be kept in custody.

Boldin's case now becomes a separate one, as he cannot be tried together with other plotters. His case will be investigated after he is cured and doctors allow further interrogations, the press office said.

Gorbachev: 'Not Disappointed in My Destiny'

LD2712201791 Moscow TASS in English 1919 GMT
27 Dec 91

[By TASS correspondent Dmitry Polunin]

[Text] Rome December 27 TASS—"I leave the presidential post, but I do not leave politics", these were Mikhail Gorbachev's opening words of an interview he granted to journalists of the Italian newspapers LA REPUBBLICA and LA STAMPA. The newspapers published this conversation on Friday [27 December]. This is Gorbachev's first interview to the Italian press since he left the post of the Soviet president.

Asked about his feelings Gorbachev said: "I have already said that if reforms in our multiethnic state go beyond the point at which the USSR begins to disintegrate, there will be no room for me there. I am embarking on a new period in my life. It will possibly be a period of thinking the events over, which I need".

Commenting on the formation of the Commonwealth of Independent States, Gorbachev said he feels concern since he believes the process of forming the Commonwealth may outstep the limits of democracy. "I still believe it would have been better to form a new union. But I am a politician, and if the formation of the Commonwealth offers a chance, I shall do everything to support it, so that it should not burst like a bubble, but turn into a real structure capable of pooling the efforts at this decisive stage", Gorbachev said. "Far from everything is clear about the new Commonwealth. Certainty has only been achieved in the matter of nuclear arms. What is happening in Ukraine makes me anxious", he said.

There were questions about Gorbachev's relations with Boris Yeltsin. Expressing his opinion about the Russian president, Gorbachev said that statements of the Russian president are overly politicised and are devoid of serious analysis. It is his manner of speaking, his style, Gorbachev said.

Summing up his own presidential activity, Gorbachev admitted to having made blunders. He said he should have capitalised more effectively on stability and people's support at the initial stage of negotiations so as to advance to a market economy more rapidly. He said he believed the new union treaty should have been prepared several months earlier. And, finally, he said it was necessary not only to break up the old totalitarian system but also to build a new system just as promptly.

Gorbachev was asked if he thinks the CPSU could have been reformed to become an instrument of democratic transformations in the USSR. "When we embarked on the programme of economic reforms in 1987, we realized that the party and managers of economic structures opposed changes. It was necessary to deprive the CPSU of the monopoly on power. It then seemed unrealistic even to attempt eliminating the party. Perhaps you think that my hope for reforming the CPSU was an illusion. But I was being realistic and I was aware that we shall achieve nothing by isolating the party from state structures", Gorbachev said.

At journalists' request, the former Soviet president also touched upon the theme connected with his "shift to the right" in the winter of 1990. "I have already mentioned this to Boris Nikolayevich [Yeltsin], although he did not agree with me. The entire society then turned to the right, probably in an attempt to protect itself against instability. It seemed to me that the nostalgia for the past, for order, for discipline manifested itself amid chaos. I felt obliged not to ignore this aspect so as to be able to control it".

"Don't you fear to be made a 'scapegoat' in the future if things worsen", Gorbachev was asked.

"There were many occasions in history when politicians, suffering a fiasco, tried to distract attention from this fact", Gorbachev said. "They look for a 'scapegoat' when they are unable to control the situation. This cannot be ruled out. But I am calm for I am clean before my conscience and

history. It is not my concern what others may invent. I think they will yet show what they really are".

Asked about his plans, Gorbachev said that he "is not interested in power". He said he has other plans, for instance, to think over the events and share his experience. He said he receives many proposals from his friends abroad, but thinks he will be working in Russia.

"It seems to me I have lived many lives over the past seven years", Gorbachev said. "I was changing with my country, and, on the other hand, I was changing the country. Sometimes I ask myself if I am happy over what I have done...I am not disappointed in my destiny".

Grachev Comments on Gorbachev Resignation

LD2812073291 Moscow TASS in English 0726 GMT 28 Dec 91

[Text] Moscow December 28 TASS—The frequently used assertion that the Gorbachev era has drawn to a close is not exact and does not reflect the reality, Andrey Grachev, spokesman for the former Soviet President Mikhail Gorbachev wrote in Saturday's [28 December] NEZAVISIMAYA GAZETA.

It is not an end to the Gorbachev era, it is an end to an attempt to build an utopian civilization.

According to Grachev, the only driving force to launch the new Commonwealth of Independent States was its member-states' desire to get rid of the centre and of Gorbachev as its leader. The new Commonwealth only proves that Gorbachev's plan to reform the Soviet Empire democratically within a unified state was nothing but a romantic dream.

Gorbachev Affirms Support for Stable Borders

LD2712161591 Moscow TASS International Service in Russian 1426 GMT 27 Dec 91

[By KAZTAG-TASS correspondent Vladimir Akimov]

[Text] Alma-Ata, 27 Dec (TASS)—Kazakhstan President Nursultan Nazarbayev today received a telegram from Mikhail Gorbachev in which Gorbachev corrected a mistake contained in one of his latest interviews. Speaking about the fate of Kazakhstan's northern oblasts, the former head of state used an expression interpreted by the Republic's parliament as meaning a possible review of its borders.

Stressing his respect for the principle of stable borders, Mikhail Gorbachev points that "now, when the Commonwealth of Independent States is being formed, it is particularly important to prevent territorial and border disputes. Resolutely casting aside the remnants of unitarism, one should carefully preserve everything valuable that has accumulated over many decades, and even centuries, of goodneighborliness and cooperation between all the peoples of our multinational homeland."

Commonwealth Affairs

Defense Ministers Hold Conference 27 Dec

LD2712204591 Moscow Central Television First Program Network in Russian 1900 GMT 27 Dec 91

[From the "TV Inform" newscast]

[Text] An analysis of today's news leads one to think that the meeting of heads of the independent states in Minsk on 30 December will be extremely complicated. On the eve of today's conference of ministers of defense and authorized representatives of the republics of the CIS [Commonwealth of Independent States], Ukrainian President Kravchuk objected to Yeltsin being the only person in control of nuclear arms in the CIS. In addition to this, a national guard is beginning to be formed in Ukraine. It is being based on the internal troops and it is envisaged that it will be as large as 30,000 men. Under these conditions, the conference of ministers of defense and authorized representatives of the Commonwealth states was a most important news report today.

[Begin recording] [Correspondent V. Stepanyuk] The meeting itself took place behind closed doors, but, at a short briefing that followed it, Marshal Shaposhnikov reported that a whole package of agreements has been prepared for the Minsk conference of heads of states: on defense issues of the Commonwealth countries, on the military oath, on the council of defense ministers, and on the status of servicemen in the CIS. Replying to our station's question on the nature and nuances of the debate at this meeting, he replied:

[Shaposhnikov] First of all, I would like to say that we have now switched from the concept of united [yedinyy] armed forces to the concept of joint [obyedinennyy] armed forces. But not everyone is satisfied with this concept, even in this form. In particular, Ukraine, Moldova, and Azerbaijan are taking the position of forming their own national armed forces. These positions have, of course, been provided for in all these documents, and the issues will be tackled at the meeting of presidents and heads of states. None of our officers, warrant officers, soldiers, and sergeants is to blame for the fact that we have found ourselves in such a situation. What we need now is to resolve all these issues competently and in a civilized and humane way, so there need be no tears for servicemen's wives and children, and officers need not feel slighted. And if, for example, anyone is unwilling to take the oath of this, that, or the other state, they should not become outcasts, we should not have refugees, and so on and so forth. This was the leitmotif of all of our discussion. I think, in general, that common sense will prevail, and we shall stick to the concept of joint armed forces, together with the special features of the states that I mentioned earlier, of course. [video shows Shaposhnikov at head of conference table addressing a group of men at the table, several in uniform] [end recording]

Further on Conference

*LD2912141491 Moscow Radio Moscow World Service
in English 1310 GMT 29 Dec 91*

[Text] The leaders of the newly born Commonwealth of Independent States are meeting on Monday [30 December] in the Belarussian capital Minsk to discuss the fate of the former Soviet Armed Forces. Plenipotentiary representatives of the republics and the commander in chief of the Commonwealth's armed forces, Air Force Marshal Yevgeniy Shaposhnikov, have met in Moscow to draw up a package of documents for the Minsk summit, including agreements on the status of the joint armed forces, defense matters, and the oath of allegiance, and an interim agreement on the Commonwealth's Council of Defense Ministers.

Marshal Shaposhnikov feels a concept of joint armed forces has come to replace the concept of armed forces under one command. But some republics are at odds with the new concept too. Ukraine, Moldova, and Azerbaijan want to have armies of their own. The documents we have drawn up reflect their approach and will be submitted for consideration to the summit in Minsk. But if a republic wants to have an army of its own, it must be prepared to finance it out of its own pocket and both the republican armies and the joint armed forces of the Commonwealth all work under one plan of operations.

Marshal Shaposhnikov stressed the Commonwealth will observe all the international commitments the Soviet Union made, including its commitment under the Treaty of the Reduction of Strategic Nuclear Weapons and Conventional Armed Forces in Europe. The legal successors to the Soviet Union will work to effect the Soviet nuclear disarmament initiatives. The decision to keep the Soviet nuclear weapons under one command facilitates this work. The Commonwealth remains committed to the defensive military doctrine proclaimed by the Soviet leaders. It confirms the deadlines for the withdrawal of Soviet troops from Eastern Europe, said the commander in chief of the joint armed forces of the Commonwealth of Independent States, Air Force Marshal Yevgeniy Shaposhnikov.

'Major Documents' Signed

*OW2712221691 Moscow INTERFAX in English
2026 GMT 27 Dec 91*

[Transmitted via KYODO]

[Text] The fourth meeting of the top military commanders of the Commonwealth member states resulted Friday [27 December] in the signing of four major documents:

1. Agreement on the Commonwealth's defense policy.
2. Provisional agreement on a coordinating body in the Commonwealth Defense Council.
3. On the status of military servicemen.

4. On the oath of enlistment. The Ukraine, Moldova and Azerbaijan reiterated at the meeting their intention to form armed forces of their own.

Commentary on Defense Policy

*LD2812233991 Moscow Radio Moscow World Service
in English 2010 GMT 27 Dec 91*

[Excerpts] The military leaders of the former Soviet republics, now members of the Commonwealth of Independent States, have gathered in Moscow to discuss the future of the Soviet Army, a unified defense policy, and related matters. Commentary has been prepared by Viktor Yenzikeyev, and this is what he writes:

[Yenzikeyev] [passage omitted] Every independent state has the right, of course, to have its own army, and all that goes with it. Yet is it wise to ignore the fact that it took decades and the efforts of all the peoples of the former Soviet Union to produce the army that exists today? There's no knowing how the conflict between Armenia and Azerbaijan over the autonomous region of Nagorno-Karabakh would be ended if each of these new independent states had its own army. If the people of the region are objecting to the current withdrawal of interior troops of the former Soviet Union from their territory, it's probably no accident.

Many of the 11 independent states that today make up the Commonwealth have within their frontiers smaller ethnic territories that also show signs of wanting sovereignty. Now if each of these also insists on its own army, what was once the Soviet Union could become one big military camp with large and small nations shaking a mailed fist at each other.

Such a conclusion may sound far-fetched but it can not be ruled out. Military and political leaders need to show the maximum common sense and the maximum responsibility, not only for their own people but for other peoples in the Commonwealth of Independent States.

Besides unified control of nuclear weapons, there's clearly a need for a unified defense policy and army. Our Commonwealth, after all, unlike the British, is not scattered all over the world. No matter what different paths that the independent nations may follow, they cannot move away from one another.

Minsk Meeting's Agenda, Impact Previewed**Army's Future Viewed**

*PM2912155191 Moscow KRASNAYA ZVEZDA
in Russian 28 Dec 91 First Edition p 1*

[Captain First Rank V. Chupakhin article: "What Will Be Decided in Minsk?"]

[Text] Just two days remain until the Minsk meeting of heads of sovereign states. The drafts of the future agreements and the documents which are to supplement the

Alma-Ata accords are currently being drawn up. Politicians and economists are working hard. Military specialists are also working hard. For only the most general, most urgent documents on military questions were signed in Alma-Ata, while the main package—defining the fate of the Armed Forces and the specific leadership and other structures—is to be actually discussed in Minsk.

It is known that there are alternative drafts and proposals on precisely what must be subordinate to a unified command and what is to be left to the republics. Judging from a professional, military viewpoint, it is perfectly understandable that it is simply far from possible to share out not only strategic missiles but also much else besides without detriment: For Air Defense, the Air Force, and the Navy are essentially unified, indissoluble organisms. And far from everything is simple as regards the Ground Forces. It only seems that everything can be done mechanically: To leave each sovereign state with what is on its territory at a given moment. No, problems on a military-strategic and military-technical plane of colossal complexity arise here...

Of course, if the defense ministers of the sovereign states which are trying to coordinate their positions on the eve of the Minsk meeting acted only as military specialists and professionals, they would certainly be able to reach agreement quickly and find the optimum structure which fits within the concept of the Commonwealth of Independent States and ensures the Commonwealth's security most effectively. But the drama of the present situation lies precisely in the fact that behind each defense minister there now stands a president, parliament, certain political forces.... And, political interest frequently takes the arena where, you might think, professional reckoning and defense expediency ought to prevail unequivocally.

Much has already been said about the fact that politics outstrips economics in our country. We have already seen for ourselves the consequences of this. But if politics were to outstrip and, worse still, supplant the professional resolution of questions of military building.... It is easy to predict how this might turn out.

There is another very, very serious aspect which the participants in the Minsk meeting must not overlook. However complex the military-strategic and military-technical problems may be, they must not push into the background the human factor, the specific destinies of people in military uniform. Let us imagine, for example, an officer born in Voronezh, Chernigov, or some other city, who has moved from garrison to garrison and served in very different parts of the former Union and who is now conscientiously performing his military duty somewhere in Central Asia, the Transcaucasus, Moldova.... Or some other, opposite situations, maybe. What are people to do if demarcation happens? Are they to take the oath of the sovereign states on whose territory they have ended up by the will of fate? But this will suit far from everyone, nor will it always suit the sovereign

states themselves. Will servicemen be guaranteed the right of choice and the possibility of returning after service to the place from where they were drafted? Will housing be guaranteed? Pension?

Uncertainty weighs upon and alarms people. We sense this from the telephone calls and appeals to the editorial office. Our permanent correspondent in the Turkestan Military District has just telephoned and read out an appeal adopted at an officers' assembly in one of the district's units. It contains a resolute protest at the Army's being broken down along national lines and a demand that politicians take servicemen's interests into account. How can this be disregarded?

It is hard to say on what specific issues the leaders of the sovereign states will reach agreement in Minsk. But there are problems on which they have no right not to reach agreement. In addition to the common economic and military-strategic area, there must also be, figuratively speaking, a unified area for the social protection of servicemen and their families, reserve and retired officers, and war veterans. Solutions must be found to provide people who have served honestly in the Armed Forces of the former Union with everything that they have rightfully deserved.

Today, on the eve of the start of the economic reforms, it is clear how hard they will be for society and how important it is to preserve stability. So why create new problems, new hotbeds of social tension? Common sense must suggest to politicians that it is necessary to reassure the Army as quickly as possible and adopt all decisions with due regard for the human factor.

On no account can we cut thoughtlessly and break off relations.

Members' 'Differences' Viewed

PM2912143791 Moscow IZVESTIYA in Russian
28 Dec 91 Union Edition pp 1, 7

[P. Golub report: "Commonwealth Members Have To Overcome Considerable Differences in Minsk, Many Foreign Observers Believe"]

[Text] As was only to be expected, the shock of seeing the unexpected birth of the CIS [Commonwealth of Independent States] on the political map of the world has, among foreign observers, given way to an in-depth analysis of the significance of this event and to the forecasting of its consequences.

To judge from information reaching the editorial office, the chief conclusion is that the members of the Commonwealth will in the very near future have to make considerable efforts to seek compromises and to overcome differences of approach and even disagreements.

"A mass of problems will arise at the very beginning, as various contradictions are emerging among the republics," Robert Conquest, leading Sovietologist at the Hoover Institution on War, Revolution, and Peace,

bluntly points out. David Holloway, his colleague at Stanford University, emphasizes that "problems of coordination (among the independent states) will be very complex," while Thierry de Montbrial, director of the French Institute of International Relations, believes that the Alma-Ata meeting will not settle Russia's relations with the other republics of the former Union "with the wave of a magic wand." What, in the opinion of foreign specialists, must the members of the Commonwealth decide first of all, maybe during the next meeting in Minsk?

The key to the answer to this question can be found in an AP report emphasizing that "the new Commonwealth will inherit the majority of the former Union's problems, including the disintegrating economy and almost worthless national currency, environmental pollution and the embittered masses."

Specialists perceive the most urgent task as being to find a compromise on the package of economic contradictions. Here observers concur that the different timing of the introduction of free market prices in the republics could become a real bone of contention in relations between the leading economic partners in the Commonwealth—Russia and Ukraine. The fears of the neighboring republics that higher prices in adjacent regions will prompt people to resort to mass exports of commodities and food will, according to most assessments, be the hardest to lay to rest. In addition, according to the calculations of Moldovan financiers for example, the price liberalization will entail a four- or fivefold increase in prices, and in this case the republic's money reserves will suffice for only six-eight weeks. Then it will run out of cash.

The next most urgent group of problems that need to be settled by the members of the CIS is the military-political group. Observers primarily emphasize the need for final agreement on questions connected with nuclear weapons. Western Sovietologists believe that the role of the nuclear component in the Commonwealth's Joint Armed Forces has not been fully elucidated. What, after all, will be the fate of the almost 30,000 nuclear warheads scattered about the former union republics? People in the West await the answer with great impatience, noting that, whereas Minsk and Kiev have stated their readiness to destroy the nuclear weapons which they have, Alma-Ata is continuing to take a special stand on this question.

According to Western assessments, nonnuclear military problems in the CIS are also still far from having been settled. Observers are alarmed at the decision of Ukraine and Azerbaijan to take control over all the armed forces on the territory of the corresponding republics. In addition, the approaches of Moldova and Uzbekistan are drawing closer to such positions. Moreover, the question of dividing up the Black Sea Naval Fleet between Ukraine and Russia has arisen largely unexpectedly for the West, while Azerbaijan, so it turns out, is aspiring to control the naval forces of the Caspian basin.

The purely political differences among the members of the Commonwealth appear less urgent abroad, but by no means any less dangerously explosive for all that. Here priority is unanimously given to nuances in the approaches of Russia and Ukraine. In this connection all the world agencies have cited the words of V. Shlyaposhnikov, the Ukrainian president's press secretary: "The republics have decided that Russia must take the Soviet Union's seat on the UN Security Council. However, this certainly does not mean that Russia is the Soviet Union's legal heir."

Nor has it escaped the attention of Western observers that today there is a question mark over the fate of important political decisions made by the republics relatively recently under pressure from the new center which was formed after the start of perestroika in the USSR. I am referring to the Uzbek leadership's cancellation of the well-known decisions concerning the former republic leaders accused of embezzling public funds and of corruption, and to the Tajik leaders' cancellation of the decisions banning the Communist Party's activity in the republic.

Problems Facing Talks Noted

LD3012084991 Moscow TASS in English
0834 GMT 30 Dec 91

[By BELTA correspondent and by TASS special correspondents]

[Text] Minsk December 30 TASS—"Hope" is how the sentiments of the majority of people who are now in the capital of the Republic of Belarus can be described in the most concise way.

Everyone is well aware that the Commonwealth of Independent States (CIS) is perhaps the last-ditch attempt to begin to live a decent life and enter the civilized world. Literally everything now depends on the extent to which the actions of the leaders of eleven sovereign states would be concerted and well thought-out.

The delegations of all CIS member-states are expected to gather at 11.00 sharp behind the closed doors at the International Relations Centre in downtown Minsk.

The crumbled Soviet Union has left a host of problems as legacy to the new Commonwealth.

Every problem requires an urgent solution. Although it is impossible to embrace everything and notwithstanding the fact that a tentative agenda was discussed in Alma-Ata in general outline, today the agenda is likely to be specified.

The leaders of most of the eleven states told journalists that they brought with them their agenda sketches made at home and are planning their proposals to extend the agenda.

It is understandable that there are no minor issues in such a serious cause. And still, the majority of journalists, of whom more than 300 have been accredited, political scientists and residents of Minsk interviewed singled out three issues: The economy, the Chernobyl problem and the defence issue.

People want clarity to be introduced to defence problems in the land of Belorussia where every fourth resident perished during the Second World War.

Belarus, grappling single-handed with the Chernobyl accident aftermath, expects help from CIS member-states in resolving the Chernobyl problem.

And finally, the price liberalisation issue. People wonder whether a change for the better in the economic situation would be achieved.

Meanwhile Minsk, the city which had not quite a bad food situation compared with the country's average, is welcoming the guests with milk and bread lines.

The Belorussian parliament is to decide on the question of returning the city's historical name—Mensk. The city with history dating a millennium back was known as the venue of money changers, trading people and merchants. It is high time the people of Minsk resume working and trading according to the world's universally accepted laws.

Leaders Arrive, Comment on Meeting, Issues

Kebich Remarks on Talks

LD2912130291 Moscow Radio Rossii Network
in Russian 1100 GMT 29 Dec 91

[Excerpts] The upcoming meeting of the heads of governments of the participants of the Commonwealth of Independent States [CIS] is still considered to be the main event of the day. That is why our correspondent in Minsk, Leonid Sviridov, is on the line again.

[Sviridov] Askar Akayev was the first to arrive today in the capital of the Republic of Belarus. [passage omitted]

Right at the ramp of the plane journalists finally managed to get some information on what the heads of states—signatories to the CIS—will discuss.

Vyacheslav Kebich, chairman of the Republic of Belarus, had this to say: We planned to discuss the charter of the Commonwealth but, as Ukrainian experts have told us, it looks like Ukraine will not sign this variant of the charter. That is why there is no use insisting on this. But anyway, provisions on the council of heads of states and on the council of heads of governments will be on the agenda. Defense issues will be examined. We will adopt a decision on the establishment of a television and radio company for the Commonwealth. It is probable that a decision will be made to create a special press organ of the Commonwealth and, possibly, on the establishment of a number of institutes of the Commonwealth.

Belarussian Prime Minister Vyacheslav Kebich underlined there will be a distinctive split on the army issue because Ukraine, Azerbaijan, and Armenia—who will probably also announce likewise—want to have their own armies. Everything should be done to reduce the number of differences of opinion as much as possible so that the Commonwealth which was established here does not also disintegrate here, Vyacheslav Kebich said. Answering a question asked by a Radio Rossii correspondent on the creation of a secretariat of the Commonwealth, the Belarus prime minister had this to say: Such a proposal—to create a secretariat consisting of precisely five people—does exist. But it is an absolute certainty that a secretary general of the Commonwealth will not head the secretariat.

Belarussian Delegate on Defense Issues

OW2912175191 Moscow INTERFAX in English
1641 GMT 29 Dec 91

[Transmitted via KYODO]

[Text] The conference of the Commonwealth leaders opening in Minsk Monday [30 December], is expected to focus on defense-related issues.

The delegations arriving in Belarus have been brining along their own texts of draft agreements on security and defense. Belarus suggests concluding an agreement on the main principles of a common defense and security policy during the transitional period. The Ukraine has prepared a draft agreement on Commonwealth defense. Yet another document is entitled "Temporary Agreement on the Council of Defense Ministers (Heads of the Defense Committees of the Sovereign States.)" There is a draft called "Oath of Enlistment of the Commonwealth Armed Forces."

According to IF's [INTERFAX] correspondent, more draft documents are expected to be brought to Minsk.

From all indications, the Minsk conference will have to discuss a variety of options before taking some final decision.

MP [member of parliament] Oleg Trusov of the Belarussian delegation believes that "the most balanced and moderate" draft has been prepared by his own republic. Unlike the Ukraine, Belarus will not press hard for setting up armed forces of its own during the transitional period, since it would like to see the military reform to be over by the end of next year or the middle of 1993 at the latest.

Commenting on the stands of other conference participants, Mr. Trusov observed that Moldova should be expected to follow the Ukrainian example and insist on having its own independent army.

The Belarussian experts maintain that keeping strategic nuclear forces under central control would be a "must"

for the Commonwealth nations. Many Belarussian parliamentarians see it as one of the best options to build the Commonwealth military command according to the NATO pattern.

Kyrgyzstan's Akayev Arrives

LD2912171791

[Editorial Report] Moscow All-Union Radio Mayak Network in Russian at 1610 GMT on 29 November, during the "Panorama" program, carries a five-minute report by correspondents Vera Shchelkunova and Petr Mokritskiy from Minsk in which they interview Askar Akayev, president of Kyrgyzstan, who was the first to arrive for the Commonwealth conference, and Kebich, head of the Belarussian Government.

Shchelkunova describes some of the ceremonies surrounding Akayev's arrival and then says: "My first question to the Kyrgyz president was: Does he believe in the success of the Commonwealth?"

Akayev responds: "Of course we have hopes. I believe that, right from the start, when the first Minsk meeting of Russia, Ukraine, and the Republic of Belarus went successfully, this really encouraged and inspired me, since I have believed right from the beginning that the most acceptable form for a union of the former Union republics is a Commonwealth. I think that the Republic of Belarus has promoted, through its stance, it has merited the honor of being the founder of a new Commonwealth of Independent States. So I expect that this stage, when specific issues connected with the formation of the Commonwealth are to be settled, that is, the institutions of the Commonwealth, the issues connected with the signing of a treaty on a defense alliance, and other issues, we have also brought along a number of drafts, and we believe that it will be a success."

Mokritskiy then outlines the preparatory work done by officials in Minsk, and interviews Kebich, whom he describes as "the head of government of the Republic of Belarus." Kebich lists some of the topics on the agenda.

Mokritskiy asks: "What might you differ on?"

Kebich answers: "We are already clearly going to differ on the matter of the army, there is no question about that. There are going to be differences on that, whatever happens, because both Ukraine and Azerbaijan, and in my view Armenia, will clearly also be saying this, the question of them having their own armies is unambiguous, and they probably don't even need to insist. There probably won't be any more big disagreements, because everything has to be done so there are as few of these differences as possible, and we would not like the Minsk Commonwealth to start to fall apart here, if you will excuse any excessive frankness. That must not be permitted under any circumstances."

Mokritskiy then says: "How likely is it to fall apart?"

Kebich: "The main view today is that no such danger exists."

Shchelkunova ends the report by listing the expected arrivals in Minsk.

Akayev Brings 3 Documents

LD2912162491 Moscow TASS in English
1540 GMT 29 Dec 91

[By unidentified TASS special correspondent]

[Text] Minsk December 29 TASS—Kyrgyzstan brought three important documents to Minsk to be discussed at the upcoming Commonwealth meeting, TASS learned on Sunday [29 December] from the press office of Kyrgyz President Askar Akayev, who arrived in Minsk today.

The documents deal with protecting the external borders of the Commonwealth, preserving united customs and guaranteeing minorities rights.

Kyrgyzstan believes the new Commonwealth should have "a common border" and a united approach to border policy. Border guard units, deployed on the territories of the Commonwealth member states, are to fulfill the mission.

Kyrgyzstan has also suggested that the new Commonwealth work out a united customs policy and create a common customs space. Customs taxes on goods imported from outside the Commonwealth should be the same in all member-states, while trade inside the Commonwealth should not be taxed. The creation of a customs committee is proposed to run the business.

Kyrgyzstan also calls on all Commonwealth member-states to guarantee the rights of national minorities and to promote the development of their culture and language.

President Akayev will propose including the documents in the agenda of the Commonwealth meeting.

Snegur, Niyazov, Ter-Petrosyan Arrive

LD2912213391 Moscow All-Union Radio First
Program Radio-1 Network in Russian 1700 GMT
29 Dec 91

[Text] President of Turkmenistan Saparmurad Niyazov and President of Moldova Mircea Snegur also have arrived in the capital of Belarus. The Dnestr area people's deputy, Boris Akulov, has arrived in Minsk today from Gagausia with a peace march organized by the Dnestr area women's movement in which 250 people took part. Gennadiy Burbulis, first deputy prime minister of the Russian Federation, and Armenian President Levon Ter-Petrosyan also have arrived in Minsk.

Russia's Burbulis Previews Meeting

LD2912132291 Moscow TASS in English
1240 GMT 29 Dec 91

[By TASS special correspondents Anatoliy Aladinskiy and Yuriy Sizov]

[Text] Minsk December 29 TASS—"Lying ahead is work which brooks no delay but which at the same time cannot be expedited" is how Gennadiy Burbulis, first deputy prime minister of Russia, told TASS, describing the importance of tasks facing the forthcoming December 30 meeting of the heads of state of the Commonwealth of Independent States (CIS).

In Minsk, it is necessary for the CIS leaders to work out documents regulating cooperation within the CIS framework, find a mutually acceptable model for the coordinating institutions of the CIS and find a compromise in the economic policy so that economic reforms could, at last, proceed at full speed in the republics and states, Burbulis said.

Having pointed out that CIS members are entering the regime of reforms with a common rouble, Burbulis replied in the negative to a question about a possible introduction of a national currency soon.

His opinion is that a state which would conceive an intention to introduce a currency of its own may "fall out of the context of the projected reforms and from the common ideas of the new Commonwealth."

An absolute majority of the heads of government agree that it is essential to preserve the idea of a banking union, the main provisions for which had already been laid down within the framework of Inter-republican Economic Committee, although the committee has already ceased to exist, Burbulis pointed out.

Yeltsin Remarks on Agenda

LD3012104991 Moscow TASS in English
1020 GMT 30 Dec 91

[By TASS-BELTA special correspondent]

[Text] Minsk December 30 TASS—The situation in Nagorno-Karabakh will be discussed at today's meeting of the heads of state of the Commonwealth of Independent States (CIS) here, President Boris Yeltsin of Russia told TASS today upon arriving at Minsk airport.

Of course, not everything is turning out well because there is very difficult situation there but "we shall undoubtedly go head with our mediatory mission," he said.

Asked about Russia's reaction to the introduction of coupons in Ukraine, Yeltsin said "this is the right of every independent state". "We do not intervene in this," he added.

Commenting on a statement by President Leonid Kravchuk of Ukraine that a common ruble space is "fiction",

Yeltsin recalled that an agreement to this effect had been reached in Alma-Ata and still remained valid.

The president of Russia stated that, in his view, 1992-1995 should be transitional from the viewpoint of the formation of the new Commonwealth's armed forces because "this is too large an outfit—more than three million people—and it is impossible just to disband them at one go".

Yeltsin, in a talk to journalists, confirmed that the question of the Black Sea Fleet would also be discussed at today's meeting here. Historically the Black Sea Fleet has always been Russia's, he said. "But, probably, Ukraine also has a right to claim some part of the Black Sea Fleet," the president added.

"I think that, upon taking counsel with Ukraine and other states, we shall somehow decide on the issue so as not to encroach upon the interests of one another," he said.

Uzbek President Arrives

LD3012110491 Moscow TASS International Service
in Russian 1020 GMT 30 Dec 91

[By unidentified UZTAG-TASS correspondent]

[Text] Minsk, 30 Dec (TASS)—There is no alternative to the Commonwealth of Independent States today, Uzbek President Islam Karimov told an UZTAG correspondent on board his plane, which arrived in Minsk from Tashkent today. The president says the heads of the sovereign republics only have to work out common approaches and agree among themselves on a number of vitally important, sometimes extremely critical matters, including those which have already arisen after the Commonwealth's formation. This is what the Minsk meeting is designed to do.

Kravchuk, Shaposhnikov on Nuclear Issue

LD3012105691 Moscow TASS in English
1024 GMT 30 Dec 91

[By TASS-BELTA special correspondent]

[Text] Minsk December 30 TASS—"Ukraine's stance on nuclear forces remains unchanged", Ukrainian President Leonid Kravchuk told TASS. He arrived in Minsk today. "We have armed forces of our own, but we are for joint strategic forces," he said. The Ukrainian president said that non-strategic part of the Black Sea Fleet will belong to Ukraine. He believes there will be no difficulties during the discussion of the military problems, if respect for national laws is shown in Minsk.

Yevgeniy Shaposhnikov has a different opinion. He believes military questions will be among most complex in Minsk. The commander-in-chief of the joint armed forces of the Commonwealth of Independent States who

arrived in the Belarussian capital said, nevertheless, he still hopes that "the disintegration of the Army can be prevented".

Asked by TASS if there are changes in the mechanism of control of strategic nuclear forces, the commander-in-chief said decisions on this matter had been made in Alma-Ata and no changes were envisaged. He warned the press against whipping up passions regarding this problem. For instance, he flatly denied the assertion of the Russian TV programme "Vesti" (news) that 7,000 units of nuclear ammunition are deployed in Tajikistan and the Transcaucasia. "This is nonsense", Shaposhnikov said.

"We have a right to expect good results from the summit of the Commonwealth of Independent States in Minsk", Ruslan Khasbulatov, president of the Russian parliament, said on Monday [30 December]. During a conversation with journalists at the Moscow airport after Boris Yeltsin had taken a plane for Minsk, he said the Russian leaders assumed the policy of close cooperation and that the prospects are good.

Commenting of the statement U.S. Defence Secretary Richard Cheney that the manufacture and deployment of nuclear weapons continues in the territory of the former Soviet Union, the head of the Russian parliament said that it is very difficult to halt any production overnight. At the same time he emphasised that "our policy is not aimed at building up the arsenals of nuclear weapons". "The Russian president and parliament firmly believe that there is a need to reduce the production of all kinds of weapons, not only nuclear", Khasbulatov said.

Kravchuk on United Strategic Forces

LD3012111891 Moscow All-Union Radio First Program Radio-1 Network in Russian 1000 GMT 30 Dec 91

[Interview with Ukrainian President Leonid Kravchuk by unidentified correspondent on Kravchuk's arrival at Minsk airport for Commonwealth of Independent States talks on 30 December; from the "New Wave" program—recorded]

[Text] [Correspondent] Does the liberalization start on 15 January?

[Kravchuk] Why? We will start the liberalisation on 10 January; we will introduce restricting measures to defend the Ukrainian market on 2 January; we will implement the price liberalization just like everybody else and move toward a market economy. However, we will move slightly differently because of the situation. We don't have enough rubles, and the idea of a single ruble space turned out to be fiction.

[Correspondent] Are you against a united armed forces?

[Kravchuk] Of course. We have our own armed forces, but we are in favor of united strategic forces.

[Correspondent] Do you think that you will encounter difficulties over the military question?

[Kravchuk] There should not be any complications. We must respect national legislation. If right from the start we learn to be legally pure, to respect national republican legislation, and to stop thinking that everyone who arrives here can change what has been agreed to by a state, but respect each other instead, then we will be able to reach any decision. We still have some psychological barriers. We still think that all those who arrive come here as the USSR president, but it does not exist anymore. We are all equal. All the best to you!

Kazakh, Azerbaijani Presidents Comment

LD3012121291 Moscow All-Union Radio Mayak Network in Russian 0750 GMT 30 Dec 91

[Report by correspondent Petr Makritskiy on interview with Kazakh President Nursultan Nazarbayev and Azerbaijani President Ayaz Muttalibov by Makritskiy in Minsk on 30 December—recorded]

[Text] [Nazarbayev] The standpoints of Kazakhstan and Belarus have completely coincided from the very beginning. In all the processes that we have been carrying out, we have been standing against the collapse of the state, but on a completely new basis, on the basis of independence and sovereignty. We came out as one in favor of the economic treaty so as not to permit a fall in production. The working class, the peasantry, and the working people suffer from the fact that we are destroying links and that our enterprises are working badly. Therefore, we jointly advocated the economic treaty which was signed.

However, you see, we are realists in Kazakhstan, as well. It is perhaps correct to say that it is not our choice that we have come to the Commonwealth of Independent States today. For my part, I have done everything to stop the country splitting in two. The Asiatic and European parts united in Alma-Ata, as you know. Therefore, we, together with Belarus, have talked of a confederative union, of a confederation which would correspond to some kind of unity. However, now we have to talk about that reality which exists today. Most of all, I would now like us to fulfil people's hopes, and I would like this not to be just another meeting, just another initiative, but I would like our Commonwealth to work normally as a Commonwealth of Independent States. For my part, I am willing to do everything so that the Commonwealth is dynamic, so that its institutions work, and so that the people support us in this, so that we don't betray people's hopes.

[Makritskiy] Azerbaijani President Ayaz Muttalibov was asked what he thought about the Commonwealth, bearing in mind that Armenian President Levon Ter-Petrosyan gave a positive response to this association.

[Muttalibov] What can I say? I am also banking on the Commonwealth. I think that it is just the community

that will manage to do what we have failed to do in four years, forcing this problem into a real impasse, a bloody impasse. However, our aspiration for peace has existed, exists, and will exist. As president, I don't see an alternative to a peaceful settlement of this question. Do you understand? I feel that my colleague, the Armenian president, is basically of the same opinion. This eases our task. I think that we will begin the negotiation process which was unfortunately cut short as a result of this helicopter tragedy. It was simply cut short on a wave of emotion and indignation. I now think, within the framework of our stay here, in the Belarussian capital, we will agree to begin this process again.

Commonwealth Meeting Opens 30 Dec in Minsk

Agenda Proposed

LD3012110191 Moscow TASS in English
1051 GMT 30 Dec 91

[By TASS-BELTA special correspondent]

[Text] Minsk December 30 TASS—A 13-point agenda has been proposed to the summit meeting of the Commonwealth of Independent States, which opened here today. Follows its full text.

1. On the charter of the Commonwealth of Independent States.
2. On an agreement concerning commonwealth coordinating bodies.
3. On the statute of the Commonwealth Heads of State Council.
4. On the statute of the Commonwealth Heads of Government Council.
5. On an agreement to finance Commonwealth coordinating bodies.
6. On an agreement concerning the procedure for signing and executing accords on the political, economic, scientific, technological and cultural cooperation of Commonwealth states.
7. On an agreement among Commonwealth nations concerning defence matters (for the transitional period).
8. On the Commonwealth's television and broadcasting company.
9. On the Commonwealth's printed organ.
10. On an agreement between the Republic of Belarus, the Russian Federation and Ukraine to coordinate efforts to liquidate the consequences of the Chernobyl disaster.
11. On an agreement between the Republic of Belarus, the Russian Federation and Ukraine on the volume of spendings and procedure for financing 1992 efforts to liquidate the consequences of the Chernobyl disaster.

12. On an agreement to distribute in 1992 the food products, purchased for credits granted by foreign states.

13. On temporary measures to jointly use diplomatic and consular missions (proposed by the Russian Federation).

[No number as received] On an agreement concerning succession to the property of the former Union of Soviet Socialist Republics (proposed by Ukraine).

The tabled agenda may be amended and supplemented by meeting participants.

Agenda Endorsed

LD3012122791 Moscow TASS in English
1215 GMT 30 Dec 91

[By TASS special correspondents—BELTA]

[Text] Minsk December 30 TASS—Participants in a meeting of the heads of state of the Commonwealth of Independent States (CIS) have endorsed a final agenda, leaving ten items in it. They are to discuss the following items:

1. On an agreement on the CIS coordinating institutions.
 2. On an agreement between the CIS member-states on defence matters (transitional period).
 3. On a CIS television and radio network and a publication.
 4. On ecological emergency situations.
 5. On an agreement on the 1992 distribution of food purchased on credits granted by foreign countries.
 6. On provisional measures for the coordinated utilisation of diplomatic and consular missions (suggested by the Russian Federation).
- [No figure as received] On an agreement on succession with regard to the property of the former Union of Soviet Socialist Republics (suggested by Ukraine).
7. An agreement on a procedure for the signing and implementation of agreements on political, economic, scientific, technical and cultural cooperation among CIS member-states.
 8. On an agreement on cooperation in the field of culture.
 9. On an agreement on space research.
 10. Miscellaneous item.

Meeting Begins

LD3012100891 Moscow TASS in English
1005 GMT 30 Dec 91

[By TASS special correspondents—BELTA]

[Text] Minsk December 30 TASS—A meeting of the heads of state of the Commonwealth of Independent

States (CIS) began at 11.00 local time today in the capital of Belarus, which has been chosen as the seat of the new Commonwealth's coordinating agencies.

The meeting is being attended by President Ayaz Mutaibov of the Azerbaijani Republic, President Levon Ter-Petrosyan of the Republic of Armenia, Stanislav Shushkevich, chairman of the Supreme Council (parliament) of the Republic of Belarus, President Nursultan Nazarbayev of the Republic of Kazakhstan, President Askar Akayev of the Republic of Kyrgyzstan, President Mircea Snegur of the Republic of Moldova, President Boris Yeltsin of the Russian Federation, President Rahmon Nabiyev of the Republic of Tajikistan, President Saparmurat Niyazov of Turkmenistan, President Islam Karimov of the Republic of Uzbekistan, and President Leonid Kravchuk of Ukraine.

Taking part in the talks are also the heads of government of the sovereign states, government ministers and other officials.

It became known to TASS correspondents from reliable sources on Sunday [29 December] that at today's meeting the CIS leaders are expected to endorse a Council of the Heads of State and a Council of the Heads of Government and to institute a special committee for ecology and emergency situations.

Prior to the beginning of the meeting, the heads of state were literally attacked by the press. Yeltsin asked journalists to have patience and wait a couple of hours until the meeting ends.

He had time to answer only one question, namely, whether anything threatens the new Commonwealth today here in Minsk. "No one and nothing" was a terse answer.

CIS leaders will hold a news conference at the close of the CIS meeting.

Coordinating Institutions Agreement Endorsed

*LD3012131191 Moscow TASS in English
1246 GMT 30 Dec 91*

[By TASS special correspondents—BELTA]

[Text] Minsk December 30 TASS—Participants in the current meeting of the heads of state of the Commonwealth of Independent States (CIS) here managed to decide upon only one item on the agenda before the first intermission.

According to a TASS correspondent, "difficult discussions" are now under way at the meeting. Only a draft agreement on the CIS coordinating institutions was agreed upon within the two hours which had been originally planned for the discussion of ten items on the agenda.

A 30-minute intermission has been announced at the meeting, after which the CIS leaders will begin to discuss

the second item on the agenda—an agreement on defence matters for the transitional period.

Two Documents Signed

*LD2812151691 Moscow Radio Rossii Network
in Russian 1200 GMT 28 Dec 91*

[Text] The plenipotentiaries of Armenia, Belarus, Moldova, Russia, Tajikistan, and Ukraine have signed the first two documents within the framework of the Commonwealth of Independent States in Minsk: an agreement on scientific and technical cooperation and a provisional agreement on the protection of industrial property, according to a RUSSIAN INFORMATION AGENCY report from the capital of Belarus.

Shaposhnikov To Remain for 2 Months

*LD3012151791 Moscow All-Union Radio Mayak
Network in Russian 1400 GMT 30 Dec 91*

[From the "Panorama" program, presented by Yuriy Korotkov]

[Text] [Korotkov] Hopeful—that is the shortest possible description of the way most people in the Belarus capital feel today. Now we have some news from Minsk. Our correspondent Vera Shchelkunova has just contacted us by telephone.

[Shchelkunova] Hello.

[Korotkov] Good day.

[Shchelkunova] We have very little information, but what we do have is, I think, already quite constructive. There has just been a short break. Vyacheslav Kebich, head of the Belarus Government, came up to us journalists. He disclosed the most important news, I think: He said that complete mutual understanding was reached on strategic arms, and that this document will be signed today. We asked whether Marshal Shaposhnikov would remain in his post. He said: Yes. Shaposhnikov will remain as commander in chief for another two months.

Among the defense issues, the question of maintaining separate armies was the subject of a very difficult discussion. This is because none of the republics, none of the border republics, none of those that are also supposed to maintain border guards and protect our borders, can stand the expanse of running their own armies.

When Yeltsin passed by, he naturally waved at the journalists. We asked him what the mood was, because he had, generally speaking, been very hopeful—cautiously optimistic, let's say—at the airport. He said that the talks were proceeding in an atmosphere of mutual understanding, respect, and accord. But there were so many problems that this would all take time, he said.

The agenda has been adopted. Protracted work also had to be done on the agenda, which consists of nine [as heard] items. The question of the Commonwealth charter has been removed. But Kebich had foreseen this.

Experts from Ukraine had warned that Ukraine would not accept any charter. So, this question has not even been included on the agenda.

The question of the Commonwealth's coordinating institutions will obviously be a complex one. This question has already been examined and passed on for further work. This is also because certain republics are not interested in having any permanent bodies, even a secretariat, for instance. Kravchuk's idea is that all the republics should exchange permanent missions, and these will come to agreement on all questions among themselves.

A very large amount of work still remains to be done here. These questions include such issues as the procedures for signing and implementing agreements on political, economic, scientific, technical and cultural cooperation; agreements on culture; agreements on space; the right of succession as regards the foreign assets of the former Union; and ecological emergencies.

But again, judging by the mood of the participants—those participants in the talks with whom we managed to speak—the work is nevertheless proceeding in a constructive atmosphere.

As soon as we receive further information, I hope to phone you and pass it on.

Military

Military Observer Questions Nuclear Controls

LD2712163691 Moscow Radio Moscow World Service
in English 1310 GMT 27 Dec 91

[Commentary by Navy Captain Aleksandr Yakovlev, station military observer, including remarks by Admiral Vladimir Chernavin, commander of naval forces; Yakovlev and Chernavin in Russian fading into English report]

[Text] Control of nuclear weapons in the former USSR remains in focus in media and among politicians and military experts in various countries. We will now hear how reliable this control is from our military observer Aleksandr Yakovlev, a Navy captain:

Twenty-seven thousand nuclear warheads have been put under single control by the decision adopted by the Commonwealth of Independent States. In line with the decision, the so-called nuclear button has passed from Mikhail Gorbachev over to Russia's President Boris Yeltsin. No one but he can authorize the use of nuclear weapons upon agreement with the leaders of Belarus, Kazakhstan, and Ukraine, possessing nuclear arms as Russia does. From now on no leader of the former Soviet republics will be able to give such command on his own.

That is the political side of the matter. As far as the military aspect is concerned, the following safeguards are provided. To begin with the components of nuclear arms

are stored reliably. Any attempt to get hold of at least one such component, not to mention a missile, is doomed to failure. Besides, a nuclear weapon could be used by one method alone. For one thing, the system of strategic forces deterrence which controls land, ship, and air-based missiles can be put in a ready for combat position only after a nuclear attack on the Commonwealth has gone on record as a fact and information on the attack could come solely from the nuclear attack warning system.

Through radars deployed in space and on the perimeter of the Commonwealth territory, the system could monitor take off (of a) missile in any point of the globe, could determine trajectory of its flight and calculate the point of its warhead fall. However, the missiles installation will retaliate only after a coded signal from the Central Command of General Headquarters has been received. Nor would ammunition to battlefield nuclear arms become operative. Each warhead is supplied with a code-blocking device. Nuclear weapons on submarines assigned for long-term missions are most difficult to control. However, their crews are unable to use the weapons without a signal from the center either, as Admiral Vladimir Chernavin, commander of naval forces explains:

The unsanctioned use of nuclear weapons from naval vessels is ruled out in this country. That's first. Second, as the admiral explains, being a special commission member he had checked the reliability of control of nuclear weapons during the putsch. The commission confirmed that technical and organizational precautions ruled out a misunderstanding with nuclear weapons in this country's armed forces.

Spokesman Denies Nuclear Contraband 'Rumors'

LD2912191691 Moscow TASS International Service
in Russian 1658 GMT 29 Dec 91

[By TASS correspondent Andrey Naryshkin]

[Text] Moscow, 29 Dec (TASS)—A spokesman for the General Staff of the Soviet Armed Forces has denied a report in the Italian newspaper L'UNITA alleging that nuclear weapons and radioactive materials are being smuggled from the republics of the former USSR to the Near East. The article claimed that Oleg Petrovskiy and Vitaliy Dorchuk, two officers of the "military information service", were involved in the contraband.

A TASS correspondent was told that the information directorate of the Defense Ministry has no such officers on its staff. The "military depots" from which fissive materials are allegedly being stolen "simply do not exist and cannot exist" on the territory of the former USSR. "The Ministry of Defense has no need to store substantial quantities of radioactive materials for a long time", the General Staff spokesman said.

"As for the persistent rumors of a trade in nuclear weapons being conducted from the territory of the

former USSR, these have been repeatedly denied by the Ministry of Defense, the chief military procuracy and other authoritative bodies, so this topic can be regarded as having been closed long ago", the General Staff spokesman declared.

Black Sea Fleet Fuel Down to 'Last Liters'

*LD2412203391 Kiev Radio Kiev International Service
in Ukrainian 2300 GMT 23 Dec 91*

[Text] The Sevastopol newspaper FLAG RODINY has reported that the Black Sea military fleet is using its last liters of fuel. Gasoline, diesel fuel, aviation kerosene, and technical [word indistinct] are in catastrophically short supply. This situation has developed because the fleet did not receive a single tank of fuel from Russia in November or December.

Protection of Air Borders 'Complicated'

*LD2712111891 Moscow Radio Rossii Network
in Russian 1000 GMT 27 Dec 91*

[Text] Foreign reconnaissance aircraft are flying along the country's state border every day. This is reported by

TASS citing Aviation General (Valeriy Moskalev), head of Central Command Post of Anti-Aircraft Defense. According to him, the protection of the country's air borders is being complicated by the striving of a number of sovereign republics to nationalize armaments and military equipment.

1991 Troop Withdrawal From Germany Fulfilled

*OW2912145291 Moscow INTERFAX in English
1338 GMT 29 Dec 92*

[Transmitted via KYODO]

[Text] According to the ex-USSR's defense ministry, in strict compliance with the existing Soviet-German agreements and corresponding schedules more than 108,000 servicemen, some 250 planes and helicopters, 1,500 tanks and 2,300 armored vehicles were withdrawn from Germany in 1991. This year's withdrawal schedule had been fulfilled, a ministry official told IF [INTERFAX].

Estonia

Trade Agreement Signed With Uzbekistan

LD2812181791 Tallinn Radio Tallinn Network
in Estonian 1800 GMT 26 Dec 91

[Text] Today, Rahim Radzhabov, Uzbek deputy prime minister, and Edgar Savisaar, Estonian prime minister, signed a 1992 trade and economic cooperation agreement between the governments of the two states. In the general section of the agreement, both parties consider it important to develop cooperation and trade on the basis of an equal partnership and mutual benefit. Mutual accounting will take place in rubles according to agreed prices and taking world prices into account. Should one party change over to a national currency, the way of accounting will be determined between the banks authorized by the parties, with a special agreement to be concluded. Clearing-based accounting is also considered as a possibility.

According to the signed agreement, Estonia will get 17,800 tonnes of cotton from Uzbekistan next year. This is almost two-thirds of the needs of our light industry. The republic of Uzbekistan will also send to Estonia various machine-building and metal industry products, as well as electrical equipment, including cable for trolley lines. Estonia will offer canned fish, chemical products, various fabrics and paper products in exchange. There are nearly 100 items in total from both parties on the list of goods in the interstate agreement.

During the festive signing of the cooperation agreement, the delegation leaders expressed a hope that direct links between Estonia and Uzbekistan will continue and will from now on develop on a new level between independent states. The Uzbek deputy prime minister wished a merry Christmas and a happy New Year to the Estonian people.

Prime Minister on Economic Accord With Russia

LD2912142791 Moscow TASS in English
0925 GMT 29 Dec 91

[By correspondent Albert Maloveryan]

[Text] Tallinn December 29 TASS—In prospect, Estonia will possibly lease several oil wells in Siberia and will thereby begin to provide itself with fuel, Estonian Premier Edgar Savisaar told journalists upon returning from Moscow where he signed an economic agreement with Russia on Saturday [28 December].

An aggregate volume of reciprocal deliveries in the first quarter of 1992 will account for not less than 70 per cent of trade exchanges at the beginning of 1991, Savisaar said.

Estonia will receive oil products and raw materials in exchange for industrial output. All settlements will be

made in rubles and, from the second quarter of the year onwards, settlements will be made under a clearing system, he added.

Subsequently, Estonia intends to give up trucks operating on petrol as well as Soviet television sets owing to their uneconomical nature and unreliability, Savisaar said.

Estonia is expected to render its market open to products made by Western firms which turn out better machines and equipment.

Ruutel Issues Statement on Troop Withdrawal

LD2812181291 Tallinn Radio Tallinn Network
in Estonian 1800 GMT 26 Dec 91

[Excerpts] I will first read out a press statement by Arnold Ruutel, chairman of the republic of Estonia Supreme Council.

The setting up of a Commonwealth of Independent States, the subsequent resignation of Mikhail Gorbachev, USSR president, and the USSR coming to an end in its activity are events of a major political impact. Like most other states of the world, we in Estonia also value the contribution of Mikhail Gorbachev in starting the reforms. Processes that were set in motion in 1985 have been of a major importance also for the restoration of the independence of the republic of Estonia. [passage omitted]

The republic of Estonia is ready to develop on her part profitable and equally based relations with the states that belong in the Commonwealth of Independent States as subjects with full rights of international law. At the same time, we note that the military units of the former USSR stationed in Estonia are made up of citizens of those states. There is hope in the republic of Estonia that the parliaments and governments of member states of the Commonwealth of Independent States will, without delay, adopt resolutions on ending the service of their citizens in the forces that are in Estonia without any legal basis. Their prompt recall home would facilitate in every way a development of the republic of Estonia's relations with the members of the Commonwealth of Independent States.

Signed by Arnold Ruutel.

USSR Tries To Send Replacement Border Troops

OW2812102191 Moscow BALTFAX in English
1405 GMT 27 Dec 92

[Transmitted by KYODO]

[Text] BF [BALTFAX] learned from the Estonian State and Border Department that on the night of December 26 the USSR made yet another attempt to send replacements for the Soviet border troops stationed in Estonia.

The Soviet military had hitched three cars to a train bound from Pskov to Estonia to carry draftees to the Soviet troops.

At the instruction of the department's official, the cars were stopped at Tartu and were hitched to a train bound out of Estonia.

According to the department's official, this is the third attempt by the Soviet military to ship more troops to Estonia which, he claimed, would be in breach of Soviet-Estonian agreements.

Latvia

Godmanis Comments on Ties With Commonwealth

LD3012124991 Riga Radio Riga International in Latvian 2030 GMT 28 Dec 91

[Excerpt] Political event number one this week—which will undoubtedly (?echo) from the 20th century far into history—is, of course, the decision by Soviet President Mikhail Gorbachev to resign from his post. So formally, finally, and irrevocably the so-called Union of Soviet Socialist Republics comes to an end, and a new state, the Commonwealth of Independent States, is established. Although it has already been diplomatically recognized by most of the world's states, its political future and its relations with its closest neighbors, including Latvia, are still unclear.

It is difficult now to predict how relations will take shape. Despite new trade agreements with practically all of the new members of the Commonwealth, (?it was not for nothing) that Ivars Godmanis, Latvia's prime minister, this week called for [words indistinct] from the OPEC states, reckoning on the (?ever bigger) economic chaos in the former Soviet Union, which previously was the biggest supplier of energy resources to Latvia and the other two Baltic states.

That is just one example of the long-term nature of simpler relations. Latvia's official attitude to the changes in the east was expressed at the beginning of this week by Latvian Foreign Minister Janis Jurkans:

[Begin Jurkans recording] Right now, it is certainly too early to talk about what this state, the Commonwealth of Independent States, will be like. The fact that the world is ready to immediately recognize it, (?while this state is in formation), as I said in Brussels, makes it hard to understand the hesitation about recognizing the Yugoslav republics of Slovenia and Croatia. To a great extent, perhaps, this will give moral support to these communists who caused this war.

To avert a possible war and to promote the democratization process in the Soviet Union, the NATO states and the states of eastern and central Europe came to a unanimous decision that this process of peacefully (?dividing) the Soviet Union must be supported. NATO, for the first time in its history, is to begin a humanitarian

aid program. (?This means) that NATO forces will use military aircraft to supply food to the former republics of the Soviet Union and will also take part in good distribution, so it doesn't get into the hands of the mafia and onto the black market. [passage omitted] [end recording]

51,358 Army Personnel Stationed in Latvia

LD2812064691 Riga Radio Riga International in English 2130 GMT 27 Dec 91

[Text] The Defense and Interior Committee in the Latvian parliament has announced the exact number of the USSR Army force stationed in Latvia. This information was disclosed during the seminar organized by the North Atlantic Assembly in Vilnius.

At present, 51,348 military persons are located in Latvia, out of which 30,305 are soldiers. Commander in chief of the Baltic Military District, Mironov, agreed to the statement that the presence of military force in the Baltics should not hinder further development of the state.

Swedish Experts Assess Nuclear Facilities

LD2912133791 Riga Radio Riga International in Latvian 0530 GMT 29 Dec 91

[Text] According to the conclusions of Swedish environmental protection specialists, the nuclear research reactor in Salaspils and the Radon radioactive waste storage unit at Baldone—the two main nuclear facilities here in Latvia—are not at present especially dangerous to the environment or to the health of the people. The Swedish nuclear physicists were in Latvia for several days to study these nuclear establishments and their effect upon the environment. However, the Ignalina atomic power station in Lithuania, which does not meet present-day safety norms, is considered much more dangerous to all the Baltic states and to all of northern Europe as a whole. In terms of the establishments in Latvia, however, there is no cause for alarm.

Jan Snihs, director general of the Swedish Institute of Radiation Protection, and Indulis Emsis, chairman of the Environmental Protection Committee of the Republic of Latvia, also signed a cooperation protocol which contemplates assistance by Swedish experts in training Latvian radioactivity control specialists.

The Swedes are also ready to establish a monitoring station in Daugavpils. This station would make it possible to monitor the intensity of radioactive emissions from the Ignalina atomic power station. It is anticipated that both the equipment to check the radioactivity and the construction work itself will be financed by Sweden.

Lithuania

Kazakhstan Signs Economic Cooperation Accord

LD2912162691 Vilnius Radio Vilnius Network
in Lithuanian 1400 GMT 29 Dec 91

[Excerpts] Yet another interstate agreement has been signed in Vilnius on the eve of the approaching New Year. Correspondent Vitas Maziukaitis reports.

[Begin recording] [Maziukaitis] The republic of Lithuania and the republic of Kazakhstan signed a trade and economic cooperation agreement for 1992 today in Vilnius at the visitors' building on Sirakauskas [word indistinct] Street. [passage omitted]

Vytautas Pakalniskis, deputy prime minister of our republic, comments.

[Pakalniskis] It is truly pleasing to see that we can cooperate with Kazakhstan without some sort of a go-between. There comes a time when economic relations between states, as well as those between enterprises, change. This is proof that we, Lithuania, never intended to break off these relations with our [word indistinct], only to change them somewhat. Such conclusions have apparently already been reached by all of our former partners. Even though there will be difficulties, because difficulties naturally arise during a transitional stage, I think this is the only path, the one which we are currently following. [end recording]

There are still more of these intergovernmental agreements to be signed with the former republics of the Soviet Union which are already independent—the states of Turkmenistan, Latvia, Estonia, Belarus, and Moldova. However, these will be issues for the coming year.

Vilnius Garrison Commander Interviewed

LD2912105491 Vilnius Radio Vilnius Network
in Russian 1300 GMT 27 Dec 91

[Interview with Valeriy Dmitriyevich Frolov, commander of the Soviet troops in the Vilnius garrison, by unidentified station announcer—live or recorded]

[Excerpt] [Announcer] Valeriy Dmitriyevich, here is the first question for you: On 25 December Mikhail Gorbachev announced his resignation as USSR president. The Soviet Union does not exist any more, but the Soviet Army does. To whom is it now subordinate?

[Frolov] The Soviet Army is now subordinate to USSR Minister of Defense Marshal Shaposhnikov. As far as the Baltic region is concerned, it is subordinate to Colonel General Valeriy Mironov, commander of the North-western Group.

[Announcer] As is known, for many years the Soviet Army was a tool in the hands of certain political forces. What is the present situation?

[Frolov] At present the Army is depoliticized, departyized. On the whole the Army is at present a state institution engaged in purely professional military affairs. The example of Georgia, where a civil war has started, shows that even an attempted appeal by that president for the Army to take a side has failed. It is not engaged in solving political matters; these must be solved by the parties by whatever means—peaceful or not—depending upon events in each state.

[Announcer] Could it happen that control over the Army would be lost and that it would be used [word indistinct]. For example, at the Vilnius garrison, under your command, you recently had a meeting with young officers.

[Frolov] Such events are not possible. Even if somebody wanted to turn the Army by some means against some part of the population or to support some party, I think that [words indistinct] officers, they do not wish to be pawns in somebody's hands in resolving some interests. Therefore, talk about some danger—as mentioned on television, for instance, (?in Latvia), or the telephone calls yesterday from television reports that some movement was taking place—all this is an attempt by some forces [passage indistinct] about some threat to the people of Lithuania. There is nothing of the sort. People should live in peace and listen to their elected government, their leadership. They are handling their affairs, we are handling ours, and we do not wish to and will not interfere in the internal affairs of the people of Lithuania.

[Announcer] Nevertheless, on 25 December, on Christmas Day—we did not report this information, but the Sajudis information agency did—there was a report that an increased movement of hardware has been observed in the northern township, that exercises were taking place in Latvia. How would you comment on this information, as such reports—bearing in mind the January events in Lithuania and the events of December last year—cause alarm among the population.

[Frolov] I will say this: We are periodically resolving some problems in the Army at various levels. They concern repairs to and replacement of equipment. It is necessary to send equipment away for repairs, and we are coping with it in the normal, usual way. As for the anxiety—for instance, the concern in Vilnius over such a movement of equipment—I would say that there is no cause for it.

I think we have established sufficiently normal and businesslike contacts with your Ministry of National Defense. During these past two or three days, there were no telephone calls to the official on duty, the minister, or deputy minister. [passage indistinct]

If it is necessary, I am going to inform them about the measures which will be taken. If I do not inform them it means that a normal procedure is taking place. Apart from that, the absence of calls from the Ministry of National Defense confirms once again that mutual trust exists and that people trust us. I think it must be like this—mutual trust, respect.

[Announcer] Lithuania's experience in 1940 shows that the presence of foreign troops on its territory represents a threat to the independence of the state. It is therefore natural for there to be tension in society over the presence of Soviet troops. What is your attitude toward the present status of Soviet troops in Lithuania and the demand by the public and the government that they be withdrawn as soon as possible from the territory of Lithuania?

[Frolov] Our troops have no status at present. Speaking of some threat or a withdrawal, a session of the North Atlantic Assembly was held recently. The leadership of your republic wants the Soviet troops to be pulled out as soon as possible. I think the speeches at that session were aimed at conveying that, allegedly, the Soviet Army represents such sort of threat, a military threat, a political threat, or from some other aspect. It is as if it intends to interfere in something.

I think the demand to withdraw the Army has achieved the opposite effect because the experts from the West who were taking part in the seminar realized that the withdrawal issue must be approached in a civilized manner. It cannot be believed that the Army, since it managed to arrive in two days, could leave in two days. In the past it was possible. One could arrive in Lithuania on horseback with sabers in two days and leave in two days. But now it is not that kind of an army, and it would be unrealistic to think that it could do so. Western experts at the seminar were of the same opinion.

I think that the members of the republic's leadership who took part in the seminar [passage indistinct]. The question is how to leave, when, and where to go. Everyone understands that it must be withdrawn. On the whole, following the events of August the residents of Vilnius and Lithuania have become more benevolent; they have more respect, they are calmer, they have more trust in the Armed Forces. For example, when I want to become acquainted with your Vilnius, when I walk in the old part of Vilnius as a colonel of the Soviet Army, I do not feel any hostile glances. People have a normal human attitude. [passage omitted]

'More Intensive' Troop Movements Noted

*LD2712171991 Vilnius Radio Vilnius Network
in Lithuanian 1000 GMT 27 Dec 91*

[Text] A more intensive than usual movement of the Soviet military equipment was noticed last Thursday in Vilnius. A column of transporters carrying tanks passed the parliament building at least twice.

The BALTIC NEWS SERVICE was told by the duty officer at the Ministry of National Defense that the military has not, as usual, been informed about the intended movement of the military equipment. The Ministry of Internal Affairs and the Ministry of National Defense obtained information that on Thursday 24 machine guns were stolen from a military unit in Kaliningrad Oblast.

Federation Affairs

Yeltsin Delivers State of Republic Address

LD2912183191 Moscow Central Television Vostok
Program and Orbita Networks in Russian 1700 GMT
29 Dec 91

[Address by Russian President Boris Yeltsin in Moscow; date not given—recorded]

[Text] Esteemed people of Russia: The year 1991 is coming to an end. By tradition, at this time it is customary to review events and make plans for the coming year. The past year was difficult. We could hardly have anticipated that over this short space of time so many events would occur and, moreover, such different events. It is probably too early to make any assessments, but there are several important factors that have emerged in this year.

First, as the 20th century draws to a close, we are living through an unusual time; profound changes are under way that occur, perhaps, once in a century. Not every generation lives through such a time. The state is being transformed. A painful transition is under way to a market economy, which is new for us. Complex processes are under way in our spiritual life. We are abandoning mirages and illusions, and not with any political aims. It simply became clear long ago that this is a utopia and that communism cannot be built. We are ridding ourselves of the militarization of our life, we have stopped the constant preparation for war with the whole world, and much more besides. I do not need to give a lengthy explanation—it is difficult for the country and for Russia, for the people of Russia. All the contradictions have been exacerbated. Nevertheless, it has proved possible, on the whole, to maintain the peaceful nature of the country's development and preserve civil peace. We have avoided the Yugoslav variant, although I must say frankly that our situation is not easier, but even more difficult.

In Russia, we have managed to avoid extreme methods. Of course, in certain regions the level of tension is very high, but we have to do everything to restrain the situation. I consider that the preservation of peaceful conditions for life in Russia is due primarily to our people and their love of peace, wisdom, endurance, and courage. Of course, everyone's nerves are on edge, and weariness has accumulated from the disorders and trials of everyday life. There is, however, a deep understanding that we must not under any circumstances change course and gamble on violence. This leads only to a deadlock. I am confident that we will not repeat the civil war; I am convinced of this. We already have the sorry experience of the first years following October 1917.

Second, a big positive result of the year is the fact that the collapse of the Union did not lead to the disunification of the peoples. The USSR has been called a mini-empire, and indeed there are quite a few facts confirming the correctness of this definition. In our huge country

there are no peoples, including the Russians, who could feel happy and free. It had already become clear that things simply could not be left as they were. Unfortunately, this problem was being tackled very slowly. There was much resistance to the peoples' desire to gain their freedom.

Even on 20 August there was a real possibility of signing a Union treaty. The putsch dealt that possibility a lethal blow. But it proved possible to avoid the main thing—the most terrible, irreversible disunion of the peoples. In place of the Soviet Union a Commonwealth of Independent States emerged on a voluntary basis. The states themselves united, not to hamper one another but to act in concert. Thus, the principle is not states for the sake of the Commonwealth, but the Commonwealth for the sake of the peoples, citizens, and states.

However difficult it may have been to part with the Union, we must acknowledge that in its place there is not a vacuum but an association of peoples and states. It may become more consolidated than the Union that was held together by command, by constraint, and by arm-twisting.

Third, in the course of the year there has been a change in the attitude of foreign countries toward Russia. We have always been aware of the great interest in the processes that are taking place in our country. There has also been, however, some temporizing, some caution, and this is understandable. International affairs were always the monopoly of the center. Certain stereotypes had taken shape that were not easily overcome. The turning point occurred during the August putsch when Russia was supported by practically all developed countries. Now there has begun a process of official recognition of the independence of Russia, but I think what is happening is more than a simple legal procedure. Relations of a different type are being established, not just relations of partnership but also of friendship. This process is bilateral.

In our country several generations of people have lived under the slogan: So long as there is no war. Between us and peace there was an iron curtain and almost the whole country was working for defense. These times are receding into the past and we must bid them farewell with no regrets. We have not yet lived under conditions of absolute peace, in spite of the fact that we won the most terrible war in 1945. The nuclear button has now been transferred to Russia, but we will do everything to prevent its ever being used. Russia will continue in the future to pursue an open, peace-loving policy. We are being reckoned with; in Europe, in America, and on other continents we are seen as a serious partner.

Fourth, I feel that this year a certain turning point in the behavior of people and their attitude toward life has been seen. Of course, it is hard for all of us now. At times our citizens are gripped by a feeling of bitterness for their country. We often bemoan our backwardness, disorganization, and many problems, but it is wrong to see Russia only in a dark light, in a disparaging way. We should not

have a sense of defeat. It was not Russia that suffered defeat but the communist idea, the experiment that was conducted with Russia and was imposed on our people. This year, the CPSU left the political arena. Many of us believed in it and gave it our best years, energies, and our lives. But this is not the fault of people and whole generations. The main thing is that the time for recovering one's sight has arrived.

In 1991, we understood and saw a great deal in its true light. The main thing now is not to sit idle, to suffer and to wait for better times. This will change nothing. More and more people have started to understand this simple truth. Each of us is capable of more than we at times think. Already, many people have appeared who know what is to be done and how, who are overcoming confusion and are showing initiative; in other words, are learning to live in a new way.

Unfortunately, I think that here the mass media, including television, is omitting a great deal. They are frightening people about the market situation in our country and presenting matters in such a way that only the select will be capable of achieving success and that the lot of common folk is vegetation, charity handouts, even poverty. This is not the case. The whole world lives by the same conventions to which Russia is switching. We are undertaking reforms first and foremost for the sake of all people, for the common folk. I am certain that in our enormous country, work will be found for everyone.

Not everyone will be an entrepreneur, a Morozov, Yeliseyev, a Fedorov, but it is within the capabilities of the overwhelming majority of people to earn their way to a dignified life. Our people are no worse, no more lazy than any other. It is necessary only to help people to find themselves in this new life.

Everything I have spoken about concerns the positive aspect of the passing year. But it has not yet become easier to live—on the contrary it has become harder. This year Russia removed itself from Union management and took possession of its property that was taken in 1917. We returned to ourselves that which by right should belong to Russia. One has to say honestly: The legacy we have inherited is simply depressing.

It seems as if an enemy has been ruling over our land. Russia inherited an enormous foreign debt from the Union, almost \$70 billion. The saddest thing is that this terrible amount of money was being thrown to the winds, squandered, for many years. From the Union we inherited an unnatural structure of the national economy. An anti-human economy was created. The production had, and still has, a distinctive military orientation. Within the last few years, the situation has actually been aggravated. Building enterprises for the production of consumer goods slowed and even stopped. For 15 years not one pharmaceutical enterprise has been built. In many of the most important areas no new capacities have been introduced for tens of years. From the Union we have

inherited hopelessly neglected agriculture; millions of hectares of land are polluted. The Russian black earth, one of Russia's main asset, is gravely ill. For more than a decade now, Russia has had to import an enormous amount of grain. Traditions of Russian agriculture have been lost. We have inherited from the Union an extremely run-down engineering base, both in industry, in agriculture, in transportation, in power engineering, and in services. All this is evident today and makes our people's joyless life even more difficult.

We have inherited a devastated land, but I think we must not despair. Russia is gravely ill, its economy is ill. There are, however, no incurable illnesses, particularly economic ones. However difficult things are today, we have a chance to climb out of this ditch in which we have found ourselves. Today, we have far more chances to get better. The Russian Federation has, at last, acquired its own statehood. Of course, it is still taking its first steps and not all is working. The confrontation with the center, however, is already over. The war of the laws, which has been taking up an unbelievable amount of time and effort, is over. For the first time now, we have a chance to concentrate all our attention and all our energy on Russia, on the Russians, and on their problems. Another factor in our favor is that Russia is, potentially, an extremely rich country. We still have enormous natural resources, and it is easier to implement reforms on such a basis as there is a certain reserve of strength.

Over the last year, particularly the last month, both the government and the Supreme Soviet have created a considerably strong power basis for economic reform. Along the main lines of the reforms, important decisions have been made, and this includes the social protection of the population, taxes, budget, and the land reform.

We have support in the world, too. Credits are being made available to Russia. Credits from the time for the Union are now being unfrozen for us. During my visit to Italy we agreed, for instance, to unfreeze a credit of \$6 billion, 80 percent of which is earmarked for Russia. Major deliveries of foodstuffs, children's food, and medicine are under way. There is yet another side to these contacts that is no less important: We are obtaining large-scale professional support. Similar reforms have already been carried out in a number of countries around the world—in Germany, in Korea, in Poland, in Bulgaria, in Czechoslovakia, in Mexico, and other countries. It is important for us to take account of that experience and not repeat mistakes. We have invited 13 leading market specialists from several countries around the world to come to Russia for a year for consultations on the reforms being conducted. They have already gotten down to work, I have had two meetings with them. It must be said that even their very first suggestions have been enormously beneficial for fine tuning some of the decisions we have made.

The past year is also important for us in the sense that we have embarked on radical reforms. On 2 January we will see the beginning of what will probably be the most

painful—and of course unpopular—measure, one which for many long years the country's leaders were unable to bring themselves to carry out; namely, freeing prices. Much has already been said about this and it is hardly necessary to keep discussing it. Let me just say that this is a forced measure, a temporary one, one about which it was no easy matter to make a decision; and this also holds for me personally. We spent two whole months seeking more acceptable options and methods something less onerous. But we came to the realization that there was no other way. But I must say that whatever the conditions, we will provide protection for all those on whom it weighs most heavily and will help them to live through the most difficult months. Throughout that time we will maintain the consumer minimum, the so-called two-thirds of the minimum consumer basket.

But at times one hears it said that economic reform consists entirely of freeing prices, and this gives rise to a negative attitude toward reforms as a whole on the part of some of the population, but that is not really the case. What will begin in January are a number of major measures aimed at stabilizing the economy, returning it to health, and, accordingly, making people's lives better.

First, there is privatization. The last meeting of the government discussed a state program for privatization in 1992. The main thrust is toward accelerated privatization of the retail and services sectors, loss-making enterprises, and uncompleted construction schemes. We delineated the level of Russian property and determined which enterprises count as Federal property, which correspond to the republican, kray, or oblast level, and which are municipal property.

All the instructions concerning privatization are virtually ready. The main goal is to make this procedure as simple as possible. In the course of 1992 there are plans to privatize at least half the enterprises of the light and food industries, construction, production of construction materials, trade, public catering, everyday services, and others. This will lay a good foundation for real competition in these industries.

Free prices will awaken production from its sleep and will compel production of goods and services to increase, while competition, on its part, will restrain the growth of prices. The government intends to enforce strict control of the process of privatization so that it is supported and obstacles are removed. One of the tasks of privatization is to breathe life into a vast quantity of enterprises that are working at half-strength, to bring unused capacities into play, to get sites where construction has not been completed—factories and workshops—working, and to put into operation machinery, often imported, which is rusting in factory yards. We will draw in funds from enterprises, citizens' savings, and Western investments for this purpose. At the same time, it is our task to avoid having the state relinquish what is Russia's birthright. The privatization program contains a special section on what will not be privatized whatever happens: this includes mineral resources, forests, water resources,

nature reserves, historical and cultural sites, artistic treasures, the state treasury, gold reserves, currency reserves, the property of the armed forces, and a considerable proportion of enterprises and establishments that are the most vitally important, fuel and power supply, transportation and communications. Privatization is one of the main priorities of reform, and the government will do all in its power to prevent it getting bogged down.

Second, we have carried out an audit of Russia's expenditures, and seen that we have until now been living beyond our means. For 1992, we have set the task of making expenditures as economical as possible and we have prepared an almost deficit-free budget for the first quarter, probably for the first time in many years. First and foremost, military expenditures will be affected. We have taken a new look at the military budget and have seen immense excesses there.

On the one hand, the Army lacks the most essential things. Everyone knows what a modern soldier's life is like: barracks without amenities, meager food, and the disastrous situation of tens of thousands of officers' families living in adapted accommodations. It would be simply inhuman, immoral to cut expenditure on these things, and we will, on the contrary, increase expenditures. I hope that the new single command of the Commonwealth countries, which is being set up, will fundamentally defend the interests of servicemen and, I would say, even fight for them. On the other hand, however, gigantic resources are used for buying weapons and equipment. The production of morally obsolete equipment is continuing. Here we will continue to transfer military production to manufacturing of civilian output.

As of next year, we are in effect ending aid to other countries. The debt that other countries have to pay comes to 60 billion rubles [R]. I think we will hardly receive these debts, and so, according to normal world-wide practice—even though our debts are estimated at 44%—there is nevertheless some sense in selling these debts and not granting any more aid or extending credits to other countries.

In 1992, for the first time we are removing the gigantic, secret expenditure of subsidies for the CPSU. I now constantly receive material that confirms the CPSU put its hands frequently and deeply into the state's pockets and transferred money for the maintenance of other communist parties in many countries. We are embarking on cutting expenditure for the maintenance of the apparatus. With the elimination of the center, Russia has finally freed herself from many years of paying tribute for the maintenance of Union structures. I know the new generation of leaders on occasion shows a taste for luxury and other similar ills. I will tell you definitely that I am categorically opposed to this. We have to live more modestly, of course, especially at this difficult time for all the people of Russia.

We have reviewed the principles of social policy. It has turned out that here, too, there are many senseless outlays. We are now taking the following as our basis: All outlays for social support must have a precise address and go to support those people who are in most difficulty.

Another source of cutting expenditure lies in the economy. We are leaving behind the fallacious practice of maintaining unprofitable enterprises. Of course, this is not easy because many have become used to living off subsidies, but we are discontinuing these subsidies at the start of the new year, including unprofitable collective and state farms. We have to find a solution, show initiative. The state, having given enterprises their independence, should stimulate this initiative. While pursuing a policy of tough economies, we do not have the right to use this principle for culture, science, education, and health care. Cuts in finance for these spheres will not be permitted; on the contrary, funding will be increased.

Third, we have embarked on serious changes in the taxation policy. In one or two areas we have had to make it tougher—I mean taxation of enterprises—but this is to a certain extent an emergency, a provisional policy. We have tried to preserve a softer regime for people, for small business, and for individual farmers. I think that as the reform progresses and the economic situation improves, the taxation process will be mollified.

In January, we begin major measures on the agrarian reform. First and foremost, it is a question of overcoming the monopoly of the state in related industries. The individual farmer is not yet an equal partner of the collective and state farms. He is defenseless in the face of the arbitrary rule of suppliers of equipment and fertilizer and of course we are going to correct that. I consider that the time has come for completely recognizing private ownership of land, including the right to buy and sell it. We cannot drag things out any longer on this.

I have given just a few examples of the areas of our reform. We will implement them unswervingly in order to stabilize the economy by the autumn and—as I promised during the period prior to the elections for the president of Russia—so that a gradual improvement in the life of people begins by the end of the following year.

In this respect, 1992 will be a special year. We are faced with creating the foundations of a new life. Of course, this is not easy, but it is still within our strength. In the past we have endured more complicated times, a large number of shocks, revolutions, wars, and repressions; but not only those factors. For decades the country has been tormented by the lack of freedom and constant deficits. Times of prosperity were very brief and always were overtaken by crises. Unfortunately, our people have acquired colossal experience in survival. Of course, I consider this to be sufficient for us to learn the market. I am confident we will get through this difficult period. I have said on more than one occasion and I would like to repeat it now: It will be difficult, but this period will not be a long one. It is a matter of six or eight months.

Endurance is needed at this time. In no way must we allow disruption and panic. Then we will manage to implement our very complicated reforms.

Esteemed Russians, today is the last Sunday before the new year. Behind us is a good deal of unrest, alarm, and disappointment. I know that the departing year has no doubt brought to each one of us not just sadness, but also certain shining moments in our lives; it simply just could not be otherwise. We will mark this holiday in a more modest way than in past years, but nonetheless for each one of us it will be a New Year holiday. I would like to greet you, esteemed Russians, esteemed television viewers, on the occasion of the approaching New Year and Christmas. I wish you and your nearest and dearest robust health, prosperity, and happiness. I will not conceal the fact that 1992—especially the first half of it—is not going to be easy, but we are not going to lose hope. Hope we do have, for you and I have endured worse. Thank you for your attention.

Views New Structures, Military Talks

LD2912121491 Moscow TASS International Service
in Russian 1110 GMT 29 Dec 91

[By TASS correspondents Olga Svistunova and Igor Veksler]

[Text] Moscow, 29 Dec (TASS)—“The new Commonwealth of Independent States is taking shape peacefully and it is not fettered by chains. At the meeting in Minsk we will agree on coordinating future cooperation, which should be implemented without reviving the center,” Boris Yeltsin said today after presenting Russian Federation state prizes. “We are not going to set up a center at the Russian level—we are equal among equals,” he stressed.

Replying to journalists' questions, Boris Yeltsin outlined a range of problems that are to be considered in the capital of Belarus. “We will have to agree on a single armed forces, on their structure and interaction, and on single control over strategic nuclear weapons. We should also reach an agreement on what to do with the ground forces in the states that are now independent. The majority of their leaders are in favor of a single command for the armed forces of the Commonwealth countries.”

The Russian president emphasized the necessity of resolving the fate of former Union structures and the issue of internal border openings, so every citizen can cross borders without applying for a visa.

Satisfying the interest of reporters in future leadership structures, Boris Yeltsin said he sees them as follows: “The council of heads of states is the supreme body, then the council of heads of governments.” He expressed hope that it would be possible to find a common understanding since there was the experience of the previous meetings in Minsk and Alma-Ata as well as a good personal mutual understanding.

There was also a question on creating national armed forces, the necessity of which leaders of many sovereign states talk about. "Russia will also have a national guard of 30-40,000 people. We will restore old Russian traditions including the height of a guardsman and his uniform," the president noted, not without pride.

Further on Yeltsin Comments

LD2912122291 Moscow TASS in English 1155 GMT
29 Dec 91

[By TASS correspondents Olga Svistunova and Igor Veksler]

[Text] Moscow December 29 TASS—Military problems will be the focus of the Commonwealth meeting in Minsk on Monday [30 December], according to the Russian President Boris Yeltsin, who hopes the participating heads of state will once again find a common language.

"We shall have to agree on the armed forces structure and interaction and on the united strategic nuclear control", the Russian president told reporters on Sunday [29 December] after awarding Russian intellectuals with republican state prizes of 1991. Yeltsin said most heads of state support the idea of a joint command of the Commonwealth armed forces.

However, Ukraine and Azerbaijan insist on having their own armies, while Russia intends to create a 30-40 thousand men-strong National Guard. "We shall revive old Russian (military) traditions, the "guards will be all of one height and wear old Russian uniforms, Yeltsin said. [no closing quotation marks as received]

The Russian president declared the Commonwealth will have no centre. It is being created by peaceful means, without chains and without a Russian centre. "We are equal among equals", he stated.

Yeltsin said it is also important to decide border questions in Minsk so that every citizen can travel freely in the Commonwealth. The fate of Union structures is also to be settled, he added.

The president outlined his idea of the future Commonwealth ruling bodies. "The council of heads of states is the supreme body, then comes the council of heads of governments", he said.

Yeltsin predicted the coming year will be a difficult one. "We have to boost reforms" to get out of the deadlock, he said, adding the situation will ease in the second half of 1992.

Urges 'Single Armed Forces'

LD2912214891 Moscow Central Television First
Program Network in Russian 1900 GMT 29 Dec 91

[From the "TV Inform" newscast]

[Text] During the preview to the Minsk meeting, Russian President Boris Yeltsin has answered questions

from journalists. To one of them, he gave the following reply:

[Begin Yeltsin recording] The first issue is that we must agree on a single armed forces. Marshal Shaposhnikov will be there and Barannikov, the minister, and we must reach agreement about the structure, the interaction of the armed forces, a unified control of strategic nuclear weapons, although I already have received from Gorbachev the briefcase with the button, and that is nothing but unified control. Nevertheless, we have to reach agreement on cooperation and joint action. We have to reach agreement on what is to happen to the ground forces. Some people might say: Won't they be under someone in the republics? But the majority want them to be subordinate to a united command of the armed forces of the countries of the Commonwealth. That is the first and perhaps the biggest issue. [end recording]

Yeltsin, Khasbulatov View Government Powers

OW2912180591 Moscow INTERFAX in English
1641 GMT 29 Dec 91

[Transmitted via KYODO]

[Text] According to well informed sources in the RSFSR Supreme Soviet, President Yeltsin met with the head of Russia's parliament Ruslan Khasbulatov Sunday [29 December] to discuss ways of improving coordination and interaction with executive power.

The parties agreed that the government should confine its activity to practical action on the decisions taken by the president and parliament.

Yeltsin, Shushkevich Expect Agreement Signing

LD3012144891

[Editorial Report] Moscow Central Television First Program Network in Russian at 1300 GMT on 30 December, during its regularly scheduled "Television News Service" program, carries the following video recorded comments on the Commonwealth of Independent States meeting in Minsk on 30 December.

Russian President Boris Nikolayevich Yeltsin addresses correspondents before departing Moscow for Minsk on 30 December: "I think that today we will resolve all these questions in Minsk: what kind of army there will be, (where and how the army will be), what unified command means. We will sign an appropriate agreement today. Absolutely all the documents are prepared on all the questions that will be signed today or are to be signed, and I think that everyone will sign these documents."

Russian Supreme Soviet Chairman Ruslan Khasbulatov, addressing correspondents before departing Moscow for Minsk on 30 December: "We have the right to expect good results. This is a very important meeting because, after all, what has actually happened so far, one could

say, is a proclamation of the Commonwealth. It is now very important to materialize all these agreements with concrete accords in the sphere of economic cooperation and to ensure an appropriate legal space, (a view on a coordinated military policy)."

Belarusian Supreme Council Chairman Stanislav Shushkevich, speaking to a correspondent while walking across an unidentified airfield on 30 December: "That time of unanimity has passed. After all, there cannot be a situation where everyone arrives and they are unanimous. We will sort things out in the most proper way, but I would not say that there are unresolvable disagreements here. You know, simply, we have become accustomed to dressing everyone in a uniform, everyone must participate in a totally identical way, and so forth. The Commonwealth does not imply such a uniform. Indeed, there are various stands, but I feel a resolution will be found. I am convinced that we will find it today."

Foreign Minister Previews Minsk Talks

LD2812094191 Moscow TASS in English 0923 GMT
28 Dec 91

[By TASS diplomatic correspondent Andrey Surzhanskiy]

[Text] Moscow December 28 TASS—Russia will continue coordinating foreign policy with other Commonwealth members during their upcoming meeting in Minsk, Russian Foreign Minister Andrey Kozyrev told TASS on Saturday [28 December].

Defence, united nuclear control and strategic space problems have been already settled by the Commonwealth member-states. "There are no disagreements in principle on the issues", Kozyrev said.

"The Alma-Ata decision that Russia becomes the Soviet inheritor in the United Nations and other international organisations has proved to be the correct one both for Russia and the world", Kozyrev said. It helped preserve international stability, any break (in Russian replacement of the Soviet Union) would be dangerous for world developments, he explained.

Former Soviet embassies are now Russian, but in Minsk we shall discuss ways for other Commonwealth members to use the embassies and representations for their own purposes, Kozyrev said.

Spokesman on Upcoming Commonwealth Summit

OW2712181691 Moscow INTERFAX in English
1340 GMT 27 Dec 91

[From "Diplomatic Panorama" feature; transmitted via KYODO]

[Text] The Russian Foreign Ministry's press-service did not confirm the rumours that even before the Minsk summit planned for December 30 the foreign ministers of the Commonwealth states will hold a meeting in

Moscow "or somewhere else". DP [Diplomatic Panorama] learned from that source that the foreign ministers will only meet Minsk on December 30, in parallel to the meeting of the chief state executives.

A spokesman of the Russian Foreign Ministry added that the decision on the meeting of the foreign ministers in the Belarus capital had not yet been passed and that the meeting would only take place if the "presidents" will so.

The meeting depends on the presidents' attitude on whether it is needed or not to set up a mechanism to coordinate the foreign policies of the Commonwealth states.

Russia and most other republics seem to favour having a consultative foreign policy structure which, however, should have nothing whatever in common with a centre. But the outcome will largely, if not wholly, depend on the position of Ukraine that does not want to have anything to do with a centre of any semblance of a centre. [sentence as received]. All Ukraine's Supreme Soviet would settle for is bilateral or multilateral consultations. Given this approach, there is little chance that a coordination structure will be created, and that the foreign ministers will discuss this issue in Minsk.

Yeltsin Departs for Commonwealth Meeting

LD3012064191 Moscow TASS International Service
in Russian 0630 GMT 30 Dec 91

[By TASS correspondent Gennadiy Talalayev]

[Text] Moscow, 30 Dec (TASS)—Russian President Boris Yeltsin flew from Moscow to Minsk at 0800 this morning in order to take part in a meeting of heads of Commonwealth of Independent States member states.

Yeltsin To Visit Republic's Regions After 3 Jan

LD2812164991 Moscow TASS International Service
in Russian 1126 GMT 28 Dec 91

[By unidentified TASS parliamentary correspondent]

[Text] Moscow, 28 Dec (TASS)—Boris Yeltsin, president of the Russian Federation, intends to visit the republic's regions after 3 January. Cabinet members will also make trips around the country during January. Gennadiy Burbulis, first deputy prime minister of Russia, reported this today speaking at a meeting of people's deputies and the republic's government.

"Our credo is the irreversibility of reforms and we will work to the very end," he said. Following the Alma-Ata agreements, favorable conditions have appeared for radical transformations in the Russian economy. The government, according to Burbulis, understands its responsibility and will try to express to Russians that the system of reform actions has been profoundly thought out.

Yeltsin's 'Decree on Single Economic Area'

PM2712152391 Moscow SOVETSKAYA ROSSIYA
in Russian 26 Dec 91 p 4

[AEN report under "Official" rubric: "On the Single Economic Area"]

[Text] Russian President B. Yeltsin has signed a decree "On the Single Economic Area." The decree notes that property, goods, and work and services may move freely and unhindered on the territory of the RSFSR. The terms of this movement are limited only by Russian law. Any producer or consumer has the right to the free sale or acquisition of goods throughout the territory of the RSFSR. The decree notes that a regime for the free movement of capital is being established in the RSFSR.

The decree goes on to note that a single currency unit is to be used on RSFSR territory as the means of settling accounts and paying for credit. The conditions of the hiring, dismissal, promotion, labor remuneration, and social security of citizens do not depend on their place of residence or residence permit.

The RSFSR Government, in collaboration with the RSFSR Central Bank, is instructed to support a regime for the free and unhindered movement of capital and all kinds of money, including foreign currency.

Normative acts by organs of power and management, as well as decisions by officials restricting the movement of goods, work, and services in the republic's domestic market which contravene RSFSR legislation are deemed invalid and subject to immediate repeal. Officials who, in violation of RSFSR law, restrict the free movement of goods, work, and services, shall be made accountable in the manner prescribed by the RSFSR Law "On Relations Between Soviets of People's Deputies and Executive Organs During Implementation of the Economic Reform" and by other legislative acts.

The RSFSR president's administration and the RSFSR State Committee for Antimonopoly Policy and Support of the New Economic Structures have been entrusted with monitoring compliance with the decree.

Yeltsin 'Tried To Prevent' Gorbachev Address

LD2912084591 Berlin ADN in German 0415 GMT
29 Dec 91

[Text] Dresden (ADN)—Quoting a Gorbachev adviser, the Dresden-published MORGENPOST AM SONNTAG reports that Russian President Boris Yeltsin tried to prevent Mikhail Gorbachev's resignation announcement on television. "Yeltsin finally gave in when a row threatened to break out, but he determined the time and format. At the same time, he demonstrated who had total power with the flag changing above the Kremlin. The whole thing was nothing but a coup," the paper quotes the Gorbachev adviser as saying.

The paper adds that Gorbachev will receive a monthly pension of 4,000 rubles (average salary: 500 rubles), a flat in the city, a town house, two cars, and a staff of twenty. He has, however, been "advised" by the Russian Government not to accept any invitations from abroad for the time being. The reason given was that Gorbachev must remain available for the trial of the leaders of the coup in August.

Yeltsin Remarks on Abolishing All-Union TV

LD2712222691 Moscow Central Television First
Program Network in Russian 1900 GMT 27 Dec 91

[From the "TV Inform" newscast]

[Text] Russian President Boris Yeltsin signed a decree today which, I think, is important not only for us but for TV viewers as well. The essence of the decree is to abolish the All-Union State TV and Radio Broadcasting Company and to form the Ostankino Russian State TV and Radio Company, and to entrust the Ostankino TV and Radio Company with covering political, economic, and cultural life in the member states of the Commonwealth of Independent States. Yegor Vladimirovich Yakovlev is entrusted to present proposals to the Russian Government on the reorganization of the Ostankino State TV and Radio Company.

[Begin Yeltsin recording] In accordance with your request, Yegor Vladimirovich and in consideration of the true situation at present, when the Union as it is has ceased to exist and the Commonwealth of Independent States has appeared instead and as your TV company is situated on Russian territory, therefore it should be Russian. In this connection I am signing a decree. Taking into account, of course, that being Russian and, namely, a TV company and at the request of your collective, let it be called the Ostankino TV Company. I will, of course, reflect the life of all the states of the Commonwealth. Of course, you will be under a certain type of protection of the Russian president; that is, if there are any technical, financial, or other problems, you will not be able to function without us. You will have to come to the Russian president and ask him for something. I am always ready to see you or to come and see the collective. This option is also possible, of course, and it is even necessary, I think.

Therefore, I wish you good luck and wish that at this very difficult time you will show not only the dark but also some light features. However, the right to criticize everybody, including the president of Russia, remains with you and I will bear no grudge, providing, of course, there are no insults. I can assure you of this. [end recording]

We really had a light moment today because there is an instruction in the decree: The Russian Government is to ensure the transfer of the state property of the All-Union State TV and Radio Broadcasting Company and associations, enterprises, and organizations in its subordination situated on the Russian territory to the Ostankino Company, jointly with the governments of the member

states of the Commonwealth of Independent States to establish TV and radio broadcasting procedures for the Ostankino Company on the territories of these states; to consider the issue of creating a joint-stock company on the basis of the Ostankino State TV and Radio Company; and to attract as shareholders all involved member states of the Commonwealth of Independent States, juridical persons, and citizens; and to envisage distributing programs from the Ostankino State TV and Radio Company in volume and on the conditions agreed with the governments of member states of the Commonwealth of Independent States, providing radio frequencies for it and also financing the activity of the company for the period of its reorganization in 1992.

Yeltsin Decree Implements Land Reform

*LD2812174591 Moscow POSTFACTUM in English
1434 GMT 28 Dec 91*

["At 11.30 A.M. December 28 the Supreme Council Deputies Were Given the Text of the Russian President's Decree on Urgent Measures To Implement the Land Reform in the Russian Federation"—POSTFACTUM headline; from the "Politics" section]

[Text] In accordance with the decree signed by Russian President Boris Yeltsin December 26, members of collective farms and workers on state-owned farms are given the right to leave them in order to create individual farms.

The maximum size of plots of land to be allotted for farmers are to be established by February 1 1992. The land remaining after transfer into individual ownership free of charge (in accordance with the regional average norms) makes up a fund ~ selling it on the basis of competition or leasing with the right of subsequently buying it off. The right of preference is given to teachers and individuals leaving collective and state-owned farms.

Collective farmers and workers on state-owned farms are to take a decision on transition to private, collective share and other forms of ownership by March 1 1992. Heads of collective and state-owned farms are to allot land shares to the farm worker and members of their family as well as their property share within a month of the day when they apply for creating an individual farm. The heads who delay allotment of land and property are fined to the tune of 3 monthly wages.

Citizens leaving collective and state-owned farms have been given the right to exchange their land and property shares, lease them or mortgage in banks for credits.

By February 1 1992 the government is to work out the order of establishing prices for plots of land in case of selling or mortgaging.

As of January 1992 owners of plots of land are allowed to sell them to other citizens upon retirement and in case the land is inherited provided the proceeds of selling the

land are invested into creating enterprises in rural areas. Plots of land allotted to urban citizens as small holdings for gardening or house building in rural areas are given to individual ownership free.

The decree takes effect as of the moment of its adoption. The president will receive monthly reports of its implementation.

News Conference Held on Privatization

*LD2812003291 Moscow Russian Television Network
in Russian 2100 GMT 27 Dec 91*

[From the "Vesti" newscast]

[Text] On the eve of the new year, the Russian Government is preparing for reforms. The matter, of course, concerns not only free prices but also a free economy. But people are concerned primarily about prices. This is understandable.

Starting 2 January, many of us will have to tighten our belts. The already high prices will rise beyond belief, but on a legal basis. Wages, sadly enough, will remain low. Prices will not rise for the most popular foods, but they will rise by a factor of six for everything else, Yegor Gaydar asserts. This is a forced measure. The surplus money that the population has accumulated has to be disposed of. On the other hand, however, if privatization, the panacea for shortages, had come before the increase in prices, the road to market would have been less painful.

Liberalization is unthinkable without privatization, Vladimir Shumeyko, deputy chairman of the Russian Supreme Soviet, said at a news conference. For this reason, the authorities, as a matter of urgency, are taking additional legislative steps finally to get the market going. A resolution on loosening restrictions on forms of ownership is being prepared; these will include trade establishments, construction, farming and unprofitable enterprises, things that are necessary for privatization. Privatization, Vladimir Shumeyko emphasized, will bring in 92 billion rubles for the budget. Funds for the protection of the population will be taken from this source. In addition, considerable foreign food aid will start arriving after 20 January. Vladimir Shumeyko also explained:

[Begin Shumeyko recording] Calculations show that prices should not rise by a factor of more than three, on the average. [end recording]

So, who is right, Gaydar or Shumeyko? Will prices rise by three or six times? In conclusion, Shumeyko promised that prices will stabilize as early as the beginning of January and will be close to world prices by autumn, although they will still, as before, not be accessible for everybody.

Billions of Rubles Expected

OW2712212691 Moscow INTERFAX in English
1746 GMT 27 Dec 91

[Transmitted via KYODO]

[Text] Sergey Filatov, first deputy head of the RSFSR Supreme Soviet and Vladimir Shumeyko told journalists in Moscow Friday [27 December] that the text of Boris Yeltsin's decree on privatization, expected to come into effect as of January 2, would be published one of these days. On Saturday [28 December], the Supreme Soviet Presidium would discuss a draft state program for privatization in 1992, which divides all property objects into those slated for mandatory privatization, allowed for transfer into private hands in principle, restricted for privatization, and not to be privatized at all.

According to Mr. Shumeyko, next year's proceeds from the privatization campaign should be expected to amount to 92 billion rubles as a minimum.

Privatization To Encourage Foreign Investment

OW2712213191 Moscow INTERFAX in English
1746 GMT 27 Dec 91

[Transmitted via KYODO]

[Text] Aleksey Ulyukayev, the RSFSR government's economic adviser, has told IF [INTERFAX] that the Cabinet-approved 1992 privatization program creates favorable conditions for foreign participation in the Russian privatization campaign—primarily where small-sized or unprofitable enterprises, as well as unfinished construction sites are concerned.

Under the draft program, which is yet to be approved by parliament, foreign entrepreneurs may be invited to compete for the right to purchase various shops, catering facilities, transportation agencies, small industrial plants and construction firms on RSFSR territory. If shares of such enterprises are auctioned off, foreign parties may be given the status of primary investors.

The RSFSR government intends to give Western entrepreneurs additional incentives to privatize unprofitable or declining productions, as well as mothballed facilities or unfinished construction sites by selling major, or even full, packages of shares to them, Mr. Ulyukayev said.

To take part in privatizing enterprises whose fixed assets are worth over 200 million rubles and whose personnel exceeds 30,000 people, as well as those recognized as monopoly-holders, foreigners will have to request special permission from the Russian government. This limitation will concern also foreign parties wishing to participate in privatizing Russian banks, insurance companies, intermediary agencies and other organizations handling securities.

Price Deregulation, Privatization Examined

LD2912022291 Moscow Russian Television Network
in Russian 2100 GMT 28 Dec 91

[From the "Vesti" newscast]

[Text] The Russian Federation draft law on the state privatization plan for 1992 is ready for approval. Its appearance coincides with articles in the press devoted to the government decision on the deregulation of prices which, unfortunately, has overtaken privatization. The leitmotiv of these articles is that without the deregulation of prices, it will be impossible to fill the shops with goods. But it is explained that it is not the logic of the economic processes which lies at the basis of this assertion, but simply worldly logic.

It transpires that there are rooms filled with goods and foodstuffs. It goes without saying that under circumstances of advantageous sales—that is, at high prices—they will be pushed out for sale at stores. This is incontrovertible. Just as indisputable is the fact that all of this produce will be purchased and eaten, if not instantaneously—it is nonetheless expensive—but it will be eaten, mainly by the minority of the population that has enough money. The poorer majority will become extremely embittered and may bring the country to the verge of revolt. The minority will then begin to wait for the next batch of production output. It should be larger and cheaper, if the calculation regarding the economic reforms in and around power come true.

The calculation is that even before the end of next year, the rise in prices will cease and a trend toward their reduction will appear. But few comprehend what will force them down, that is, to become truly free. Free prices and simply high ones are not one and the same thing. We are frightened that we will just get high prices. Only one thing can harness them, evidently: a proprietor's capital, which also needs freedom.

The concentration of large amounts of capital in the hands of individual groupings already has become a reality in Russia. Billions of rubles are already taking up their starting positions. When the privatization law comes into effect, we will become witnesses to a fierce struggle for that capital to reach machine tools, conveyor belts, raw materials, and major trade outlets; incidentally, and precisely major ones, a struggle for the allocation of spheres of production between major financial groupings. Any permissible and impermissible means may become acceptable. It will look like capitalist excess, but there will be a limit to this. The moment will come when capital, which needs a fast turnover like oxygen, will turn the conveyor at high speed and goods will pour onto the market.

Yeltsin Signs Privatization Decree

LD2912220291 Moscow Russian Television Network
in Russian 1800 GMT 29 Dec 91

[From the "Vesti" newscast]

[Text] President Boris Yeltsin today signed a decree in accordance with which the accelerated privatization of

state and municipal enterprises will start in Russia beginning 1 January 1992.

Also today, Boris Yeltsin received a personal message from George Bush. The U.S. President expressed his interest in developing close cooperative relations with the leadership of Russia and wished success to the meeting in Minsk.

Gaydar Holds News Conference on Privatization

*LD3012121191 Moscow TASS International Service
in Russian 1100 GMT 30 Dec 91*

[By TASS correspondents Ivan Ivanov and Andrey Chekalov]

[Text] Moscow, Dec 30 (TASS)—The program for privatization in 1992 of Russian state-sector and municipal enterprises, confirmed by the Russian Supreme Soviet Presidium and a decree from Boris Yeltsin, "forms the basis of a long-term strategic policy for profound structural reform," Russian Deputy Prime Minister Yegor Gaydar said today at a news conference. He explained that compared with privatization, the program for price liberalization and financial stabilization "forms the basis of the government's short-term policy; it is these measures that should allow us to stabilize the situation, fill the shops and stop inflation." Gaydar recalled that a privatization law was adopted by the Russian parliament during the summer, but "unfortunately, privatization started off without any regulatory framework or clearly defined goals and procedures." "This fosters enormous abuses and opportunities for state assets to be presented free of charge back to the same bodies that are currently in charge of their distribution," the deputy prime minister said. "It is fostering privatization by robbery, leading to large-scale public protest instead of paving the way for a stable distribution of property in society." He said yesterday's signing by Boris Yeltsin of the relevant decree "has provided a reliable regulatory framework for us to proceed in a measured and calm fashion, and to establish a system of ownership which will form a reliable foundation for the long-term development of private enterprise in our country." Yegor Gaydar pointed out that the privatization strategy "is primarily a social policy and not just to do with economics; it should be acceptable to society." He said that the program's authors had tried to involve in privatization the broadest possible cross-section of society and ensure the public's support. The program, he continued, is intended to "be accepted by workers, to whom we are giving away free 25 percent of the assets of large state-sector enterprises; they will have the right to sell these shares without a lengthy waiting period." He said: "We hope that it will be accepted by enterprise managers because it will make it possible to define clearly ownership and give them potentially extensive rights on a contractual basis." "We hope that it will be accepted by the public because 20% of the revenue we hope to raise from privatization will go to social needs, social welfare, and local social support funds".

Yegor Gaydar stressed that the Russian government hopes that this self interest of the Russian people in privatization "will provide a powerful stimulus, so that the privatization program gathers momentum, that major changes will take place in the system of ownership in the new year, and that these changes will take place in an orderly manner, within a regulatory framework."

Burbulis Signs Decree on Grain Imports

*PM3012114991 Moscow ROSSIYSKAYA GAZETA
in Russian 25 Dec 91 First Edition p 3*

["RSFSR Government Resolution No. 57 'On the Emergency Situation Regarding the Provision of Grain Products for the RSFSR'"]

[Text] In order to prevent a crisis situation regarding grain feed and grain products in view of unsatisfactory grain imports, the RSFSR Government rules that:

1. The USSR Foreign Economic Bank (Moskovskiy) is to use 80% of the total amount of daily hard currency revenue to pay freight charges until the freight payment debt to Soviet and foreign shipowners has been fully paid off.

The Foreign Economic Relations Committee under the RSFSR Foreign Ministry (Aven) and the RSFSR Foreign Trade Bank (Telegin) are to supervise the aforementioned payments and report daily to the RSFSR Government on the implementation of this task.

2. The RSFSR Ministry of Trade and Material Resources Grain Products Committee (Cheshinskiy) and the Foreign Economic Relations Committee under the RSFSR Foreign Ministry (Aven) have two weeks to conclude contracts through the "Eksportkhrab" all-union joint-stock company for the advance supply of 5 million tonnes of grain and 1.5 million tonnes of feed protein, to be delivered in the first quarter of 1992.

The RSFSR Ministry of Economics and Finance (Gaydar) and the RSFSR Ministry of Fuel and Energy (Lopukhin) are to allocate 4 million tonnes of petroleum products and 2 billion cubic meters of gas to the Grain Products Committee for this purpose, to be delivered in 1992.

An implementation report is to be given to the RSFSR Government before 1 January 1992.

3. In coordination with the RSFSR Ministry of Trade and Material Resources, the councils of ministers of republics in the RSFSR and the heads of kray and oblast administrations are authorized to carry out barter transactions to import grain and food on licenses obtained from the Foreign Economic Relations Committee under the RSFSR Foreign Ministry.

[Signed] G. Burbulis, first deputy chairman of the RSFSR Government

[Dated] 19 December 1991, Moscow

Court Suspends Yeltsin's Ministry Decree

LD2812203191 Moscow All-Union Radio Mayak Network in Russian 1900 GMT 28 Dec 91

[Text] A petition from a group of people's deputies to investigate whether the Russian president's decree on the creation of the Ministry of Security and Internal Affairs of the RSFSR is in accordance with the Constitution has been received by the Constitutional Court of the Russian Federation.

Valentin Zorkin, the chairman of the Constitutional Court of the Russian Federation, demanded that President Yeltsin immediately suspend his decree until the court issues a decision on whether this particular normative act is in accordance with the Constitution.

Supreme Soviet

Deputies Debate Security Ministry Decree

PM2712135391 Moscow ROSSIYSKAYA GAZETA in Russian 25 Dec 91 First Edition p 1

[By legislative observers Olga Burkaleva and Andrey Zhdankin: "Deputies Warn Against Danger. Fourth Session of the RSFSR Supreme Soviet"]

[Text] A joint meeting of five parliamentary committees was held 24 December: the committees on legislation, human rights, questions of legality, law and order, and the struggle against crime, international affairs and foreign economic relations, and security. The reason for the meeting was an extremely serious one: President B. Yeltsin's decree "On the Formation of an RSFSR Ministry of Security and Internal Affairs." The decree brings together the Ministries of Internal Affairs of the former Union and Russia, the RSFSR Federal Security Agency [FSA] (former Russian KGB), and the Interrepublic Security Service [ISS] in a monopoly department with virtually emergency powers. The story behind the decree reads like a thriller: None of the aforementioned parliamentary committees knew that this legislative act was being prepared. State Counselor Yu. Skokov and Deputy Premier S. Shakhrai did not even know. Paradoxically, the actual head of the ISS, V. Bakatin, also learned about it from the newspapers. Yet another worrying sign: Decrees concerning very important aspects of state life are appearing without proper elaboration, under pressure from outgoing structures hidden from the public.

To all appearances, the decree was hastily prepared. On the same day, 19 December, yet another document was signed by Yeltsin, but this time as head of government, whereby the FSA took over command and leadership of Union structures disappearing into oblivion; that is, it appears no one was intending to abolish the FSA. The

putsch placed on the agenda the question of tight control over the activities of special services and other power structures. An RSFSR security concept was elaborated and the law "On Security in the RSFSR" was adopted on first reading, enshrining the concept that the functions of safeguarding state security and public security cannot be combined in a single organ. The decree effectively overturns this concept.

For all the deputies' desire not to enter into a new conflict with the president, they warned against the very grave danger posed by this decree, which could take the country back to the days of totalitarianism. Deputy Premier S. Shakhrai adopted a palliative stance. He noted that there are three reasons why these departments cannot be joined together: Personnel of the Ministry of Internal Affairs and former KGB are professionally and psychologically incompatible; the decree creates a monopoly in the struggle against crime, which cannot be allowed; the "rust of corruption" could run through the entire unified (monopoly) system. But he believes that a demand for the abolition of the decree is inadvisable. The decree does have its positive aspects, in his opinion.

The creation of such a monstrous force could lead to unpredictable consequences. For example, Deputy S. Stepashin announced that all personnel of the FSA Administration for St. Petersburg and Oblast will submit their resignations if the decree is implemented; that is, 3,500 experienced, skilled personnel. The whole of world experience shows (so the vast majority of deputies said) that this kind of monopoly does not slow down the growth of crime but has the opposite effect. Emergency situation, emergency department, emergency measures, with repression joining them—this is the objective future course of events, Deputy Shuykov believes.

Deputy Ispravnikov talked about a merger between Ministry of Internal Affairs structures, including top officials and local authorities and new commercial structures. The decree imparts new impetus to the accelerated development of this process, which will lead to economic disaster. He was supported by Deputy B. Zolotukhin, who cited many examples of corruption in the internal affairs organs and mergers between individual officials and organized crime.

The deputies decided to submit this problem for examination at the next plenary sitting of the Supreme Soviet, in particular to propose that the president invalidate the part of the decree which talks about combining the Ministry of Internal Affairs and the RSFSR FSA.

Supreme Soviet Rescinds Yeltsin Finance Decree

LD2712173591 Moscow Radio Rossii Network in Russian 1600 GMT 27 Dec 91

[Text] The Russian Federation parliament today rescinded President Boris Yeltsin's decree on financing state expenditure from the Russian Federation budgets

in the first quarter of 1992. Here with the details from the White House is our parliamentary correspondent, Nikolay Artemyev.

[Artemyev] It should be said that this document yesterday drew fairly sharp criticism from deputies. Today the issue of the decree was included on the agenda.

A report was delivered on behalf of Russia's government by Yegor Gaydar, deputy prime minister and minister of economics and finance. He stressed that the haste in presenting the given decree for the president's signature is to be explained by the emergency economic situation. Yegor Gaydar said the government has a thoroughly inflationary budget because it is unable to depend either on large-scale savings by the population or on large-scale flow from abroad. Difficulties are also connected with the fact that it is a matter of drawing up the budget for a completely new state, which has been brought about by the disintegration of the Union.

The people's deputies who spoke during the discussion of this issue said that the government is violating the time-frame for submitting its budget message to the Supreme Soviet, as provided for in the law on the principles for organizing the budget.

As a result of the detailed and fairly heated discussion, a decision was adopted rescinding the decree, and obliging the government to prepare a full budget message before 15 January. It should be said that in the end the government agreed with this decision.

Gaydar Presents Budget to Supreme Soviet

LD2712172891 Moscow TASS in English 1656 GMT 27 Dec 91

[By TASS parliamentary correspondent Galina Vinitskaya]

[Text] Moscow December 27 (TASS)—The Russian government has suggested a step-by-step (quarter) formation of the Russian budget system in 1992, said Russian Vice-Premier and Minister of the Economy and Finances Yegor Gaydar.

Speaking at the parliament's session today he substantiated the government's suggestion with the fact that the formation of the budget is being done under complicated conditions of the cardinal restructuring of the Russian economic management.

A budget of a practically new state is being formed against the background of the introduction of a new taxation system, considerably changing the territorial division of financial resources, as well as the forthcoming liberalization of prices and fulfillment of necessary measures on social protection of the population.

In addition, the planning and financing of joint spending, including military expenses, servicing of the

foreign and internal debts and others, have not been coordinated with the Commonwealth member-states, Gaydar said.

This greatly complicates the planning process and makes the financial situation in 1992 difficult to forecast.

When forming the budget, maximum cuts of military spending, refusal from allocations on many goods, reduction of allocations on capital construction and lowering of the budget deficit at the expense of a new taxation policy, are envisaged.

The estimations, done in accordance with the new taxation legislation, enabled the forecast of 258 billion rouble revenues of the budget system in the first quarter of 1992, which is 40.6 per cent of the Gross National Product in this period.

The Supreme Soviet has adopted a resolution, saying the Government of the Russian Federation violates the terms of submission of the 1992 budget proposal to the parliament. The proposal should be submitted to the parliament by the Russian president before January 15, 1992.

Interviewed on Economic Reform

LD2812214691 Moscow All-Union Radio Mayak Network in Russian 1730 GMT 28 Dec 91

[Excerpts] [passage omitted] The Government and the Supreme Soviet of the Russian Federation have been meeting in the Russian House of the Soviets. Our correspondent Andrey Nikiforov was present, and reckons that this was to all intents and purposes the final session to map out the parliament's and government's action to implement radical economic reform. He spoke to Russian Vice Premier Yegor Timurovich Gaydar, whose opinion is highly interesting and extremely confident, but still leaves us wanting to ask a number of questions. Here is his interview with our parliamentary correspondent:

[Begin recording] [passage omitted] [Nikiforov] Yegor Timurovich, I understand that the government is in a determined mood and will not restrict itself to half-measures. So, the question that interests all of us in Russia is: What exactly will the Russian government be doing during the initial and most difficult months?

[Gaydar] First, we are going to undertake a serious reform of our institutions, a vertical transformation of those that relate to property ownership, which cannot take root properly until there is a market infrastructure, until there are market mechanisms and market prices.

The most important thing is privatization. Opinion in the Supreme Soviet supports us, and at the very beginning of the new year we will liberalize prices and embark on a radical, far-reaching privatization program. Very quickly people will see major progress in the distribution of property and in their own position. We plan to give 25% of the shares in state-sector enterprises to their employees free of charge, up to 200,000 rubles; to grant concessions when buying such shares; to channel 20% of

the revenues from privatization to social welfare. We think that this will be sufficient stimulus to get the process going in an organized way. It will not be a mad dog-eat-dog privatization without rules.

Second, an initial document on radical agricultural and land reform has already been adopted and signed by Boris Nikolayevich Yeltsin. There are currently several more agrarian reform documents in the pipeline, and we hope that we will be able to advance these reforms in the countryside as early as this winter or the very beginning of next spring. They represent major changes to the agricultural system.

Liberalization of foreign trade forms a vital element within the entire reform and stabilization program. But you must not expect too much, because there will not be any miracles and neither can there be. But we are giving serious encouragement to exports of finished goods and manufactures. We are radically changing hard-currency and export regulations to give maximum priority to those industries whose products we are most interested in exporting. These are our (leading) industries such as machine-tools, which will not be easy to privatize. If we can make a breakthrough to the (international) market, we will rid ourselves of our problems. And at the same time regulation presupposes clear-cut procedures that apply to everyone, without selectivity. This will also allow us, we think, to sharply increase demand for rubles on the domestic market, because foreign-currency transactions are taking precedence over those with rubles. [end recording] [passage omitted]

Predicts Stability 'by Mid-Spring'

LD2812152191 Moscow TASS International Service
in Russian 1245 GMT 28 Dec 91

[By TASS parliamentary correspondents Galina Vinitskaya and Tamara Zamyatina]

[Text] Moscow, 28 Dec (TASS)—“The general logic behind government actions is this: price liberalization, financial stabilization, privatization, a multisector economy, agrarian reform, and escape from world isolation (achievement of ruble convertibility),” Russian Vice Premier Yegor Gaydar said at a meeting with parliamentarians today.

“If we now fail to set in motion market mechanisms, the economy will cease functioning. It is already functioning only by force of inertia,” he said. The deputies criticized reform because liberalization is ahead of privatization. In reply to this, the vice premier said that none of the countries which embarked on the path of reform had it the other way round.

In his view, the main task for the very near future is not to ruin the economy after price liberalization. That will be possible if a tough budget policy is observed, and to achieve this a new taxation system has been introduced. “To make the ruble convertible, we will try to create

serious demand for our money, in particular by exporting raw material,” the vice premier said.

Yegor Gaydar expressed confidence that Russia will stabilize its financial situation by mid-spring.

Gaydar Reports on Meeting

LD3012061991 Moscow Russian Television Network
in Russian 2120 GMT 28 Dec 91

[Report by Yegor Timurovich Gaydar, deputy prime minister of Russia, to a meeting of members of the Russian government and the Supreme Soviet of the Russian Federation deputies at the Russian House of Soviets on 28 December—recorded]

[Text] The government has been criticized on numerous occasions for not submitting to the scrutiny of society a detailed program of economic reforms. This was done for a good reason, because we believed that after 11 programs adopted and widely discussed in the press and by the bodies of power without exerting any influence whatsoever on real developments, it would simply not be serious to submit a 12th program.

We believed that our program must, above all, be implemented via specific economic and political decisions. Today everyone by and large agrees, the overwhelming majority of experts believe, that we need wide-scale liberalization, enabling the market mechanisms used throughout the world to be brought into play, enabling normal trading to supplant the allocation of resources and the huge hierarchy of functionaries engaged in allocating resources that are in short supply. We need financial stabilization, enabling the ruble to become a stable currency, a reliable means of payment, and an effective labor incentive. We need far-reaching privatization allowing us to abandon the domination of state property and create a multi-sector economy where there will be a place for the state sector and private sector alike, for large joint-stock companies, and so on.

Everyone agrees that we need far-reaching agrarian reform capable of making agriculture efficient and that we need a demonopolization of the economy. We need to abandon autarky and self-isolation, open the economy up to world competition and make the ruble convertible.

Here I will start straight away with the already noted areas in which the government's actions come in for the most frequent criticism.

First, esteemed sirs, why do you stress price liberalization when we have not yet carried out privatization? Where has it been the case that market prices were introduced before large-scale and in-depth privatization?

Unfortunately, this can be seen everywhere. There has not been and will not be a single example in history where large-scale and far-reaching transformations in ownership relations have successfully been fitted into just weeks and months. It is possible in weeks and

months only to destroy, break up, and bring total disorder to ownership. Its formation needs consistency of action, a program, and each decision getting to each enterprise and each point of commerce and store. The accomplishment of this in just weeks and months is in general impossible.

Against a background of the collapse of the traditional regulating mechanisms, which have simply been ceasing to operate since the disintegration of totalitarian power has been under way, the market mechanism has, to a faster or slower extent, started operating at least in some ways, and against this background the privatization process has already been under way to a slower or faster extent depending on the government's consistency and steadfastness and its ability to regulate further privatization problems. Unless we now set in operation a normal market mechanism, which that operates to some extent—albeit not fully and effectively and at some cost connected to the fact that the state sector is dominant in our country—our economy will simply come to a standstill in a month or two's time. It could occur more quickly; it is not really functioning now. It is operating by inertia on the basis of the traditional command reports on performance.

Second, people are asking: How is it possible to embark on a large-scale liberalization when there is a universal monopoly in our country and when this monopoly is stifling our economy? It is not possible to break all at once the restrictions on resources that prevent us from really creating a competitive structure inside the country. At the same time, there exists an ironclad and indisputable principle: In themselves, state regulated non-market and unbalanced prices give rise to a continual and permanent monopoly.

Unbalanced prices are always worse than monopolistic ones. If your monopoly comes up against curbs on demand, as happens anywhere in the world, the supplier's monopoly is replaced in our country by a buyer's monopoly, a monopoly created by solvent but curbed demand.

Today, having examined everything in a realistic way, having looked at what is happening in our economy and finances, we all firmly believe that none of the measures which we spoke about before will work. We used to say we ought to reduce capital investment. We have already squeezed it to the limit. Let us squeeze defense spending, we said. We already plan to cut it to the minimum. Let us at least switch our hard currency resources to the purchase of commodities, which are the most effective from the budgetary point of view. We do not have any hard currency resources.

Our present liquidity ceiling is only sufficient for half-a-day's imports. So, we said, let us carry out a structural maneuver and switch resources into sectors that are the most effective from a budgetary point of view. We do not have those possibilities, and we do not have the time for such maneuvers.

In short, it is no longer possible to make those adjustments that were needed in order to eliminate accumulated budget imbalances without touching prices. And if we touch prices—and we are obliged to do this—we inevitably find ourselves in a fundamentally new situation. This being the case, we have to deregulate prices and activate market mechanisms before we can achieve financial stabilization. If that is so, then the main task, the main problem we must resolve is to make sure the economy does not collapse after we deregulate prices, as we are obliged to do.

We envisage new mechanisms for regulation. Here the most important one, of course, is the budget. If the budget survives the deregulation of prices, if we receive normal budget revenues that keep pace with inflation, if we avoid increased expenditure, which is not backed by any revenue, then we can be sure that the rate of price increases will fall sharply, once the initial jump in prices needed to throw off the inflationary burden is out of the way and surplus cash which outstrips the realistic cash needs of enterprises and the public has been absorbed. If these budgetary adjustments are not made, hyperinflation is inevitable.

The logic here is as follows: Prices are deregulated and a sharp jump in prices occurs. The public sees that goods are rapidly increasing in price. So, they buy up all the goods they can as soon as they appear on sale. Money begins to circulate much more rapidly. This in itself fuels the increase in prices, and so on. Then inflation begins to take off. That is the main factor fuelling inflation. If in addition to this increase in the money supply you do not control the budget deficit, hyperinflation becomes inevitable. The important thing is to pursue tough monetary and budgetary policies.

I am, to all practical purposes, convinced that if we manage to hang on, if we do not immediately slide back into a new round of price regulation, if we manage to adhere to tough budgetary guidelines, then by mid-spring, by April, we should be able to mobilize a hard currency stabilization fund based on cooperation with international financial organizations.

In general, the important thing is that our own policies should be consistent. We must not hesitate, panic, or resort once again to administrative methods or the printing presses.

The most serious problems and difficulties besetting this entire strategy for change are associated with the fact that Russia is only just emerging as an independent state. We are closely tied—a bit too closely perhaps from the decisionmaking point of view—to the republics which used to belong to the Soviet Union, to the states of the Commonwealth. Maybe we ought to be slightly less tied, so that we can secure the instruments we need if we are going to prepare and implement policy in a realistic way.

Nevertheless, this is a fact. Today we have a common monetary system, linking us to many republics at any rate. Many of the republics would like to keep this.

The overall monetary system compels us to cooperate very closely and strictly with the republics at least for the next few months in implementing our economic policy from the point of view of macro-economics. But theoretically, such accords exist with the republics, at least with many of them. We have agreed on joint regulation of the deficits in the state budgets. Belarus, Kazakhstan, and the Ukraine have brought in fairly substantial tax adjustments of their own and raised value-added tax to our own level. Aside from that, Belarus and the Ukraine have imposed special and fairly high income taxes for Chernobyl. In brief, neither we nor the republics now have any sort of budgetary laxity. This is an important factor which means one can hope for some measure of stability.

We hope—and assume we will succeed—to work out effective mechanisms jointly with the republics to protect and support the ruble. Unfortunately, only events can provide an answer to the question of whether we shall succeed or not.

So as a result, we are compelled to consider simultaneously with drawing up each of our programs what will happen if we do not succeed in this, if we see, for instance, that the efforts we are making to stabilize money are being undermined by the monetary policy pursued by other republics. If, overall, the general policy is effective and is implemented, by the middle of next year, the situation in the economy should radically change.

The level of production will, of course, remain fairly low, at no more than 90% of this year's production. But the shortages of goods will disappear. A buyer's market in many products, if not the majority, will emerge. A situation of sharp and deep recession and a surplus supply of goods might arise.

Deputies Demand Resignation

LD2812141191 Moscow TASS International Service
in Russian 1045 GMT 28 Dec 91

[By TASS parliamentary correspondents Galina Vinitskaya and Tamara Zamyatina]

[Text] Moscow, 28 Dec (TASS)—To avoid social unrest during the introduction of price liberalization while there is a shortage of foodstuffs and other goods, the Russian government proposes to use state funds (although they are not extensive), humanitarian aid from other countries and, beginning 20 January, resources based on the European Bank credits.

This is what Russian Deputy Premier Yegor Gaydar said today at the meeting of people's deputies and the republican government.

The deputy premier also believes that because of the delay in price rises, the trade industry has stockpiled some foodstuffs. Despite the measures of social protection for the population taken by the government, a

parliamentary opposition to the Russian leadership is becoming imminent. At the meeting, on behalf of a group of like-minded individuals, People's Deputy Vladimir Isakov read a declaration entitled "Stop the Experiment Against the People."

Opposition deputies demanded the resignation of the present cabinet and proposed to the Russian president to form a government of popular trust.

Transportation, Agriculture Receive Priority

LD2712175191 Moscow All-Union Radio First Program
Radio-1 Network in Russian 1000 GMT 27 Dec 91

[Excerpts] The Russian Supreme Soviet continues its work in Moscow. Our parliamentary correspondent, Vera Shchelkunova, reports from the White House. Vera, when you are ready, please.

[Shchelkunova] Yes, I want to tell you that Yegor Gaydar, deputy leader of the Russian government, has just spoken and answered questions. His report was described on the agenda as the Basic Directions of Forming a Budget System for the Russian Federation for the First Quarter.

The words basic directions immediately reminded me of Nikolay Ivanovich Ryzhkov, who was criticized in the sharpest manner for his directions. Now, a new wave of the Russian leadership is coming out with the same terminology. However, Gaydar himself softened even this wording, describing the document he presented simply as budget projections. It is the president who will present the budget message, a more detailed document, on 20 January [date as heard]. [passage omitted]

Describing the basic directions, Gaydar said that the budget is a very tough one. For example, capital investment priority has been given to transportation and agriculture. Financing of other branches of the economy is being reduced as much as possible.

As far as the armed forces are concerned, Gaydar reported that three days ago at the conference of heads of government of the Commonwealth countries an accord was reached on financing the armed forces in the first quarter. This accord was rather vague, because there is the special position of the Ukraine and Azerbaijan, as well as uncertainty of the positions of other republics.

Clearly, these questions will have to be agreed upon in Minsk on 30 December. [passage omitted]

Supreme Soviet Adopts 2 Laws on Taxation

LD2712191291 Moscow All-Union Radio First Program
Radio-1 Network in Russian 1700 GMT 27 Dec 91

[Text] On completion of its work on the package of taxation documents, the Russian legislature today adopted two laws: on taxes on profits of enterprises and on the fundamentals of the taxation system in the Russian Federation. A 32% tax has been established on

the profits of enterprises and foreign investors, and a 45% tax has been established on profits of brokers offices.

Supreme Soviet Discusses Coup, Budget

LD2712234191

[Editorial Report] Moscow Russian Television Network in Russian at 1940 GMT on 27 December carries a 19-minute recording of its regularly scheduled "at the Russian Federation Supreme Soviet Session" program on the 27 December session of the Russian Federation Supreme Soviet.

Supreme Soviet Chairman Ruslan Khasbulatov opens the session, which not many deputies are attending. Prosecutor General Stepankov makes a statement seeking permission to arrest Achalov on charges relating to the August coup. Stepankov says the Supreme Soviet's permission is needed because Achalov cannot currently be interrogated because he is hospitalized. Stepankov also notes that the Union procuracy is being abolished as of 1 January. Khasbulatov admonishes Stepankov for straying from the agenda. Khasbulatov says they can return to this question later if deputies get through the agenda.

Deputy (Lapygin) asks about the interrogation of Achalov. What was his answer to the charges of complicity in the coup? No charges have been made against him, Stepankov says. He has been interrogated, however. Achalov should be asked to give a written response to questions while he is in the hospital. Stepankov says a copy of the interrogation can be made available to the deputies if required.

Deputy Baburin has two questions: First, has the procuracy considered dropping charges against the State Committee for the State of Emergency as the Soviet Union no longer exists? Second, has the procuracy thought of charging those responsible for removing the democratically elected president this December? Khasbulatov intervenes at this point. He says no attempt has been made to physically eliminate the president. These are false arguments, they are not serious, he says.

A deputy speaks on behalf of the Committee on Human Rights. Deputies would like to have a written response from the conspirators who are hospitalized. Khasbulatov calls for a vote on Stepankov's report and on his request for the authority to arrest Achalov. The result is 86 for, 50 against, with 53 abstentions. Khasbulatov announces that this means that the motion is rejected.

At 1948 GMT, Gaydar delivers a report on government spending and the preparation of the budget. Gaydar says:

"What were the general guidelines that we used as a basis for drawing up our spending policy? First, the greatest possible cuts in defense spending will be made. We realize we are dealing with a grave situation. There is

pressure, of course, and there are the problems of enterprises that are being converted. We believe that even if we end up with no savings at all, it is still better to give them the money they need now for wages, retooling, and conversion, rather than keep putting it off until later; rather than go on buying arms and materiel that we do not need and that we cannot pay for without fuelling inflation. Therefore, a drastic restructuring and reduction of the arms procurement system is one of the most important ways of saving funds. It will allow us to cut budget spending by roughly 2.5 percent of our Gross National Product [GNP].

"Subsidies are the second most important area. Presently... [Gaydar changes thought] I will not go on at great length about why the present system of subsidies is both socially and economically ineffective. There is just one point I want to make: We do not have the sources to finance subsidies on the scale that emerged during 1991. We had to cut them by at least 3-4% of the GNP. We are keeping subsidies on individual regulated commodities. The most substantial subsidies will be on coal and milk. We hope that during the year we will manage to remove a considerable part of these subsidies as the unfreezing of prices proceeds further and the deregulation of milk and coal prices begins. But, already today, in refusing to adjust many types of commodities, we are placing a serious financial burden on the budget:—amounting to at least 3-4% annually.

"On the other hand, we have done our best to protect and keep the main social items in the budget. This is difficult. There is no way of increasing them in real terms. But we wanted to at least preserve them and prevent any reduction in real terms. In real terms, we are maintaining our expenditures on health, education, and culture. Spending on science is being retained to the extent that the rate of reduction in spending on science corresponds to the fall in the overall volume of the GNP. It is not possible for us to maintain present expenditures on science—both Union and Russian spending in Russia—in its entirety. But, we are at least trying to establish the principle that this spending should not fall faster than the GNP.

"Spending on centralized capital investment is being cut sharply—we are forced to do this. Basically, we were forced to treat these items as residual ones and to proceed on the basis of our actual financial resources. A very tough priority has been set here—transport, above all, and agriculture, which will, basically, be the only sectors to receive real funding. Funding of all other areas will be restricted to the greatest extent possible.

"Operational expenditures in the budget and the entire range of other spending areas are being squeezed as much as possible. We are retaining our expenditure on the Chernobyl program, on compensation programs, even though this is a serious burden on the budget. It amounts to around 5 trillion rubles [R]. Nevertheless, we feel that we cannot make savings on these programs.

"The result is a budget whose combined expenditures and revenues total 40.6% of the GNP in the first quarter. The budget is deficit-free. Certain reserves have been built into the budget. This gives us room to maneuver at a time when the rate of price increases in individual industries is unpredictable."

At 1951 GMT, Deputy Chelnokov says he does not understand the arguments relating to privatization. It seems that no serious privatization is intended during the first part of next year. Privatization could yield considerable revenues. He also points out that running the Supreme Soviet costs R77.5 million and running the president's office costs R103.7 million. Chelnokov wants to know the composition of the president's staff and who set these figures, considering that two or three deputies are forced to share offices.

Gaydar responds: "I understand. With regard to the law on privatization, we feel that if the Supreme Soviet supports us and we are able to launch privatization genuinely in parallel with the liberalization of prices at the beginning of 1992, then we very much hope that in 1992 we will receive sufficiently serious revenues in these sectors. But, it would not be at all correct to incorporate the revenues from privatization within budget revenues, strictly speaking. The revenues from privatization, strictly speaking, must be earmarked for reducing the state debt. Of course, we will have to use part of the revenues from privatization to solve social problems, including the most acute ones, and this is provided for in the privatization program. But, I am profoundly convinced that to include the revenues from privatization in the budget revenues means having to rely on an inevitably extremely unreliable source. We will try to derive revenues from privatization as much as possible. But we should not base our precise financial calculations on them, for we cannot refuse to pay wages to teachers and doctors, or refuse allowances to officers, if privatization goes more slowly than expected. Therefore, it is much better to consider it as a budget reserve.

"Second, with regard to the Supreme Soviet, once again I stress that this is not a budget; these are budget guidelines for the first quarter. The final version of the budget will be presented before 20 January." Gaydar is not observed to respond to Chelnokov's second question.

The Supreme Soviet then continues discussion on taxation. An unidentified deputy delivers a report from his commission on taxing brokerage firms. His commission has suggested revised wording for a taxation proposal. Deputy Mazayev speaks from the floor on this. Khasbulatov asks which deputies are brokers. We do not really have brokers, the unidentified speaker continues. He then defines the concept of "broker." Excessive profits will fall if prices really are deregulated, he says, adding that the market will settle everything.

The program narrator then says the Supreme Soviet discussed the demarcation of state property and pensions. No further details are given.

The recording of the Russian Federation Supreme Soviet session ends at 1958 GMT.

Coup Plotter's Arrest Rejected

LD2712213191 Moscow TASS in English 2045 GMT
27 Dec 91

[Text] Moscow December 27 TASS—Valentin Stepankov, Russian prosecutor-general, on Friday requested the consent of the Russian parliament for the arrest of Russian People's Deputy Vladislav Achalov, former USSR deputy defence minister.

The Russian prosecutor's office believes that Achalov, who was landing troops commander, must be arrested on the case of the August putsch in addition to 14 persons charged with attempting a state coup on August 19-21.

The Russian parliament has turned down the request of the Russian prosecutor-general. The parliament stated that Achalov is now in hospital and is being treated for brain concussion. Medics decreed that he is not to be disturbed until January 11, 1992.

Substantiating his request, Stepankov noted that Achalov "participated directly in working out the plan to seize power and isolate the Soviet president. Acting on orders from Dmitriy Yazov (the then defence minister) he organized measures to impose a state of emergency in Moscow." Stepankov notes in his request that Achalov later worked out specific measures aimed at seizing the Russian Government House and removing the republican authorities from power. Stepankov also noted that Achalov's actions include features of crimes covered by Article 64 of the Russian Federation's criminal code (plotting to seize power), and that criminal proceedings should be instituted against him.

Legislative Expenses To Increase 'Threefold'

LD2712185691 Moscow TASS International Service
in Russian 1540 GMT 27 Dec 91

[By TASS parliamentary correspondent Tamara Zamyatina]

[Text] Moscow, 25 Dec (TASS)—The activities of the Russian parliament cost taxpayers 100 million rubles [R] in 1991. This was stated today by Sergey Filatov, first deputy chairman of the Russian Supreme Soviet, during discussion in the Chamber of Nationalities of the subject of the structure of the Russian Supreme Soviet's apparatus and estimated expenditure in 1992.

Taking account of the deregulation of prices, spending on the upkeep of the Russian parliament will rise approximately threefold next year.

A resolution was adopted on estimated expenditure to finance the activities of people's deputies and of the Russian Supreme Soviet's apparatus in 1992. According to the resolution, R17.39 million will be allocated for deputies' salaries, and R51.7 million plus \$7.47 million for the acquisition of equipment. Also, R15 million are

being earmarked for elections of Russian people's deputies to replace those who have left.

Legislature To Exclude Press Law Amendments

LD2712224191 Moscow Radio Rossii Network in Russian 2100 GMT 27 Dec 91

[Text] The Russian legislature decided today to exclude from the adopted law on the press those antidemocratic paragraphs that were introduced into the legislation. During the procedure of the adoption of the law, amendments were introduced on the initiative of Procurator General Valentin Stepankov. They provoked concerted criticism from the ranks of journalists and the democratic public. In particular, one amendment allowed investigative bodies to demand that journalists reveal sources of confidential information. Parliament decided to drop this amendment. From now on, only the court has the right to make this demand.

The second amendment concerned primarily the ban on the distribution of video material acquired by hidden camera. Now journalists have the right to use this method if they do not violate the constitutional rights of citizens.

Presidium Sets 13 Jan Russian Press Day

LD2912053591 Moscow TASS in English 2146 GMT 28 Dec 91

[Text] Moscow December 28 TASS—The Presidium of the Russian parliament announced on Saturday [28 December] that January 13 would be observed as the day of the Russian press. According to a report of the press centre of the Russian Parliament, it was done to pay tribute of respect and historic justice to the event which took place in January, 1703—the publication of the first issue of the Russian newspaper VEDOMOSTI.

Legislature Ends Activity of USSR Deputies

LD2812074791 Moscow TASS International Service in Russian 0717 GMT 28 Dec 91

[By TASS parliamentary correspondent Galina Vintskaya]

[Text] Moscow, 28 Dec (TASS)—In connection with the cessation of the existence of the USSR and the formation of the Commonwealth of Independent States, the Supreme Soviet of the Russian Federation adopted a resolution late Friday evening, 27 December, according to which the deputies' activity of the USSR People's Deputies is halted on the territory of the Russian Federation (Russia) beginning 2 January 1992.

The normative acts of the former USSR that govern their activity are inapplicable on its territory from that time onward.

Supreme Soviet Official on Privatization

LD2812174691

[Editorial Report] Moscow Radio Rossii Network in Russian at 1600 GMT on 28 December carries a three-minute report by correspondent Nikolay Arkemev from the Russian Supreme Soviet session in Moscow on 28 December.

Arkemev notes that deputies today adopted a decision on the demarcation of state property. He says that this document envisages the directions of privatization for the next year: state- and municipal-owned enterprises will definitely be privatized, and this first and foremost envisages the privatization of retail trade, catering, service, state agricultural, and other enterprises.

He then introduces Vladimir Shumeyko, deputy chairman of the Russian Supreme Soviet, who gives his opinion on the privatization plan: "You understand that it is very difficult to carry out privatization without this document. This document will allow the division on a legal basis of all former state property at the level of the federation, that is, what belongs to the state itself, and at the municipal level. That is, all the old—what we called state property—is divided into two large parts: what will belong to the state as such at the level of the Supreme Soviet and what will belong to municipalities. Here there is a second related part: If you take the law on enterprises and enterpreunerial activities then such a division was already there, and I will allow myself to use this word—state property was spread out to the kray and oblast level; that is, state property can belong to the RSFSR itself, the republics within its make-up, krays, oblasts, autonomous oblasts, autonomous formations—all this must be divided up so that every soviet, every committee administering state property, every fund of federal property can be involved in privatization locally."

Arkemev then concludes his report by saying adoption of this document inspires optimism.

Price Liberalization Impact Softened

LD2812175691 Moscow Central Television Vostok Program and Orbita Networks in Russian 1630 GMT 28 Dec 91

[From the "TV Inform" newscast]

[Excerpt] [passage omitted] Another resolution adopted by the Russian legislature ensures measures for the social protection of the less well-off sections of the population stemming from the upcoming liberalization of prices. Various measures are to smooth the transition to free prices for persons on low incomes, invalids, pensioners, students, and the unemployed

Presidium Examines Privatization Plan

*LD2812232591 Moscow Radio Rossii Network
in Russian 2200 GMT 28 Dec 91*

[Excerpts] Today, Saturday, the Presidium of the Russian Federation Supreme Soviet convened in the House of the Soviets. [passage omitted] Draft laws on converting the defense industry in the RSFSR and increased liability for unsanctioned extraction of amber were submitted. Following a discussion, it was decided to have the laws examined by the commissions and committees of the chambers, and also at plenary sittings of the Russian Federation Supreme Soviet.

The Presidium sent back for revision a draft agreement on coordinating proposals on demarcating powers between

state bodies of the Russian Federation and its constituent republics. Resolutions on military courts within Russia and on winding up the USSR Supreme Soviet were adopted. A privatization program for state-sector and municipal enterprises submitted to the republican government was examined. The Presidium's members agreed with its main points, and also with the draft of a Russian presidential decree on accelerating privatization.

The Presidium issued a resolution winding up its commission on citizenship, pardons, and state awards. [passage omitted]

The Russian Supreme Soviet has now gone into recess for the next two weeks, during which time the parliamentarians will be conducting constituency work.

Belarus**Bilateral Treaty Signed With Kyrgyzstan**

LD2912143191 Moscow TASS in English
1344 GMT 29 Dec 91

[Text] Minsk December 29 TASS—A treaty on basic principles of interstate relations between Belarus and Kyrgyzstan was signed here on Sunday [29 December]. It was signed by chairman of the Belarus parliament Stanislav Shushkevich and Kyrgyzstan's President Askar Akayev. Akayev arrived here for a meeting of the council of heads of states.

The treaty is concluded for a term of ten years. The sides recognise each other as sovereign states and base their relations on the recognition of sovereignty and equality, nonuse of force or its threat, territorial integrity and inviolability of frontiers. Each of the sides pledges itself to guarantee equal rights and liberties to citizens of the other side inhabiting its territory.

Economic relations are regulated by the agreement on granting preferential treatment. The sides pledge themselves to keep from unilateral measures that would be destabilising or damage the other side.

The treaty also envisages exchanging plenipotentiary missions.

[Minsk Radio Minsk Network in Belarussian at 1800 GMT on 29 Dec 91 carries a similar report and adds the following: The joint realization of economic, technical, and other cooperation in minimizing the results of the accident at the Chernobyl AES is planned.]

Prices To Be Liberalized Starting 3 Jan

LD2912184291 Moscow TASS in English
1735 GMT 29 Dec 91

[Text] Minsk December 29 TASS—Belarus is going to liberalise prices of consumer goods and public service rates from January 3, 1992. This decision was taken today by the Belarussian Council of Ministers.

The liberalisation of prices will not affect only bread and bakery products, milk products, baby food, meat and meat products, (excluding tinned meat), smoked and semi-smoked meat delicacies.

The prices of essential consumer goods and services will remain under government control. Their maximum rates have been fixed.

In order to compensate businesses, organizations and farmers for additional costs resulting from the introduction of free wholesale prices, the government will purchase agricultural products according to contractual prices from January 1992.

No 'Special Optimism' Over CIS Meeting

PM2912162191 Moscow PRAVDA in Russian
28 Dec 91 pp 1, 2

[Correspondents Oleg Stepanenko and Aleksandr Ulitenok report: "Into the New Year With Hope"]

[Text] Minsk—For the second time in some three weeks, Belarus is becoming the epicenter of events that are in many ways determining world history. At the beginning of December, the Belovezhskiye "Viskuli" [meaning unknown], which laid the foundations of the CIS [Commonwealth of Independent States], were heard throughout the world. Now Minsk awaits those who, together with the Belarussian leaders, will continue the process that was begun in Belovezhskaya Forest and supported in Alma-Ata.

Preparations for the meeting are being completed. The services providing backup for the delegations' work have a considerable load to bear. Each delegation has been allocated a residence. Minsk Airport will go over to a special regime in order to receive efficiently the aircraft bringing the heads of state and the delegations.

The public of Belarus is awaiting the Minsk meeting with hope and anxiety. The hearts of people who lived through the most terrible tragedy of the 20th century bleed not only for their own people's destiny but also for the future of all the peoples of the former great power. Will the Commonwealth help to restore the ties broken and destroyed by perestroika?

People here, in Belarus, are of different opinions. Here is the opinion of Ivan Melnik, chairman of Mogilev Oblast's "17th Party Congress" Collective Farm:

"I believe there is still hope of salvation, if they succeed in Minsk in reaching agreement on closer ties and do not overemphasize just their own interests."

There are many people who unequivocally welcome the capitulation of the USSR and who are certainly in no hurry to support the CIS. Recently the republic press has clearly formulated their position: Belarus will not succeed in reviving its economy or restoring true statehood in the new structure, and the only way out for the republic is to deepen integration with West Europe. But the majority of the Belarussian people, as public opinion polls confirm, advocate the maintenance of established ties and effective interrepublic integration.

Many people today are worried by the Commonwealth members' differences on a number of fundamental positions, which openly came to light at the Alma-Ata meeting. It is no coincidence, therefore, that the mood of the residents of Minsk, which is taking the baton over from the Kazakh capital, is not distinguished by any special optimism.

Moldova

Snegur Cites Goals Before Departing for Minsk

AU2912190891 Bucharest Radio Romania Network
in Romanian 1800 GMT 29 Dec 91

[Telephone report from Kishinev by Gabriel Ionescu]

[Text] Today at 1400 the official delegation led by the president of the republic of Moldova, Mircea Snegur, left for Minsk. The delegation will participate in the meeting of the leaders of the member countries of the Commonwealth of Independent States [CIS].

The delegation also includes Andrey Sangheli, first deputy prime minister of the government and minister of agriculture and food industry; Foreign and Interior Ministers Nicolae Tiu and Ion Costas respectively; Gheorghe Mazilu, president of the Parliament Commission for State Security and Military Affairs; and other officials.

Here is the statement made by the president of the Republic of Moldova before departure:

[Begin Snegur recording] The meeting in Minsk is, in fact, an extension of the meeting in Alma-Ata. If you recall from the documents that were published, we were told to prepare tangible proposals regarding the Army and the coordination institution—as some people call them—which we call the consultative institution of the CIS. These are the objectives. The interests of our republic are, first and foremost, those connected with the Army. We do not favor a general command of all military troops; each republic should restructure existing troops and turn them into a national Army. At least at the beginning by restructuring existing troops.

As far as the united strategic area is concerned, I believe that what was signed in Alma-Ata between the Russian Federation, the Ukraine, Belarus, and Kazakhstan is enough. [end recording]

President Mircea Snegur also referred to the meeting he held yesterday with the commanders of the military units on the territory of the republic.

[Begin Snegur recording] As for yesterday's meeting, I would say that it was a meeting with the commanders of military units to see what they think and how they view things. It was quite a productive meeting. Of course their views, I should say, were not identical; some of them were reticent. I think that they still have certain reservations. Let's see what happens in Minsk, and then we will continue the meeting, which we began yesterday.

I believe that the most important and the most difficult questions remain to be clarified in Minsk; the military problem is the most important. The best solution would be if all independent countries, including Moldova, had their own national armies. This is my main desire. If this is solved tomorrow, then the other questions are of secondary importance. Just a moment, of course it is desirable that what has been achieved or rather the

conclusions that will be reached are only of a consultative nature. God forbid that a center or a structure should appear over and above this Commonwealth. [end recording]

Snegur, Army Reach Agreement on National Army

LD2812180791 Moscow Radio Rossii Network
in Russian 1700 GMT 28 Dec 91

[Text] Moldova's President Mircea Snegur met today with commanders of military units stationed on the territory of the republic of Moldova. Questions relating to the establishment of a national army and the transfer to Moldovan jurisdiction of Soviet Army troops situated on the republic's territory were discussed. The military unit commanders voiced their agreement in principle with this, after the relevant issues have been resolved at the forthcoming meeting of Commonwealth of Independent States leaders in Minsk.

Decree Subordinates Union Defense Units

AU2812150291 Bucharest ROMPRES in English
0827 GMT 28 Dec 91

[Text] Bucharest ROMPRES 28/12/1991—According to a decree issued by Moldova's President Mircea Snegur, the General Staff of Moldova's Civil Defence, its command units as well as the military units of the Soviet Civil Defence deployed on the territory of the Republic of Moldova are thereby subordinated to Moldovan jurisdiction, writes MOLDOVA PRES.

The decree stipulates that all the assets of Moldova's civil defence general staff and of its subordinated units, as well as the military equipment and fixed assets of the Soviet civil defence units now on Moldovan territory thereby become the property of the Republic of Moldova, to be administered by the Republic's government.

Prime Minister Meets With Romanian Counterpart

LD2812223191 Moscow TASS in English
2205 GMT 28 Dec 91

[By correspondent Dmitriy Dyakov]

[Text] Bucharest December 28 TASS—The talks between the Romanian Prime Minister Theodor Stolojan and his Moldavian counterpart, Valeriu Muravski, who met today in the Romanian border town of Khush, focused mainly on the course of implementing the bilateral government agreement on economic and cultural cooperation.

According to ROMPRES Agency, the prime ministers exchanged work experience of the two republics under the conditions of transition to a market economy and discussed problems connected with developing their relations with independent states of the former Soviet Union. The head of the Moldavian Government informed Theodor Stolojan of the Moldavian delegation's participation in the talks in Alma-Ata and its

decision to become a party to the accord on the creation of the Commonwealth of Independent States.

Both sides agreed to sign a treaty of friendship and cooperation next year, create free trade zones in the border areas and promote widening of contacts among the peoples of the two countries.

Ukraine

Leader Wants EC Role, No Part in Military Bloc

LD2912185791 Moscow Central Television Vostok Program and Orbita Networks in Russian 1630 GMT 29 Dec 91

[From the "TV Inform" newscast]

[Text] Ukrainian President Leonid Kravchuk has stated that Ukraine wants to join the EC and has no intention of being part of any military bloc. Concerning the question of the meeting of Commonwealth of Independent States leaders in Minsk tomorrow, Kravchuk said that in Minsk we will try to coordinate the reforms necessary for a transition to the market.

Kravchuk Outlines Domestic, Foreign Policy

LD2812130791 Moscow TASS International Service in Russian 1130 GMT 28 Dec 91

[By UKRINFORM correspondent Vitliy Vozyanov]

[Text] Kiev, 28 Dec (TASS)—The Ukraine was the force that destroyed an empire. This was stated in an interview with the UKRINFORM correspondent by Ukrainian President Leonid Kravchuk. The fact that an event on such a scale occurred without shots being fired and without blood being shed is an historic phenomenon, he considers.

Speaking of the main directions and priorities in the domestic and foreign policy of the independent Ukrainian state, Leonid Kravchuk emphasized that the first and most important thing is deep-reaching reform of the economy on the basis of destatification and privatization. The second task is to increase the output of consumer products and goods. The third relates to conversion problems, including shipbuilding industry enterprises. "I am firmly convinced," the president stressed, "that the Ukraine is and must remain a maritime power."

Leonid Kravchuk noted that in foreign policy the Ukraine must become a full member of the European community. It is necessary now to proclaim oneself a legal, independent, democratic state open for the whole world and to establish not only economic contacts but political and diplomatic ones, too. Over 30 of the world's states have already stated their recognition of the Ukraine. "We wish to have priority links, especially with the countries where Ukrainian emigres live," President Kravchuk pointed out.

Speaking of the role to be played by the Commonwealth of Independent States, the president noted that it will play no role in foreign policy. "We do not intend to form any Commonwealth structures to act on its behalf in the international arena," Leonid Kravchuk emphasized.

In the economic sphere, the Ukrainian leader noted that, because the ruble at present is serving as money for everyone, we must coordinate our actions regarding prices and so on.

The Commonwealth will not be making decisions for everyone, although joint steps will be agreed, Leonid Kravchuk said. According to him, the heads of the Commonwealth states must also resolve the matter of forming a strategic armed forces command, in which everyone has an interest.

Official on Defense Relationship With CIS

LD2812202191 Moscow Radio Rossii Network in Russian 1700 GMT 28 Dec 91

[Text] The Ukraine excludes the possibility of joining a military bloc with the former republics of the Union that are now members of the Commonwealth of Independent States [CIS]. Stepan Khmara, member of the Ukrainian parliamentary defense committee, has said this in an AFP interview. He took part in the consultative meeting of plenipotentiary representatives of the Commonwealth in charge of defense issues held in Moscow. Khmara said the Ukraine wants to have in the Commonwealth a status similar to that which France has in NATO—that is, to be a member of the political council but not of the military structures.

Officials Note Differences With CIS States

PM2712144391 Moscow KOMSOMOLSKAYA PRAVDA in Russian 27 Dec 91 p 1

[O. Musafirova report: "Quiet Ukrainian Night..."]

[Text] The republic's Cabinet of Ministers has been in session for almost 24 hours.

Konstantin Masik, first deputy prime minister of the Ukraine:

"...The initial euphoria at the signing of the agreements in Minsk and Alma-Ata is already passing.... They want to impose on us the transition to price liberation in the different conditions that have developed in Russia and the other republics: different rates of inflation, but, most important, different wage levels. And that is understandable, because the presses that print the money are in Russia. All this made us ask all the delegations to support the Ukraine's proposals to postpone the liberalization by two weeks. Unfortunately, they disregarded us."

Vladimir Lanovoy, Ukrainian state minister:

"We must keep pace with Russia's market reforms.... It is proposed to introduce a system for the economic

security of the Ukraine and macroeconomic stabilization in various areas—prices, credits—to ensure the population's social protection.

"Unless we accelerate this work we will have neither goods nor hard currency, and our enterprises will be owned not by Ukrainian citizens but by representatives of Russia or other republics, who will buy up our enterprises through their stooges."

Aleksandr Yemelyanov, first deputy chairman of the Ukrainian State Economic Council;

"When applauding the Minsk agreement recently, we hoped that at last we were getting rid of central administrative diktat. But I have the feeling that, although we got rid of the administrative diktat, economically it has remained. It is in the hands of those who control the printing presses."

The working group session moved on smoothly into the cabinet of ministers session. It is continuing now as I am transmitting these lines. What will come of it? A presidential decree? An emergency session of parliament? A special Ukrainian position at the meeting in Minsk 30 December?

Minister: Nuclear Controls Not 'Resolved'

LD2912161691 Moscow TASS International Service
in Russian 1125 GMT 29 Dec 91

[By correspondent Igor Shamshin]

[Text] Prague, 29 Dec (TASS)—"Ensuring the peace and security of the state and its economic upturn is the priority task of independent Ukraine," declared Ukrainian Foreign Minister A. Zlenko. In an interview with the Czechoslovak newspaper PRACE, he stressed that issues relating to the disarmament process will be tackled in the republic taking account of national interests. It is from this same viewpoint that mechanisms will be worked out to verify [kontrol] the observance of the Soviet-U.S. agreements concluded earlier in this sphere.

Independent Ukraine has to ensure the security of its borders. According to the minister, this problem will be tackled in a comprehensive manner, in cooperation with neighboring countries, and on the basis of the principles of the Helsinki process.

Touching on the question of whether the Ukraine will at an early date become "an active member of the CSCE," A. Zlenko commented that the republic's new legislation is being drawn up in accordance with the primary documents of the Helsinki process. In his view, human rights are reliably guaranteed in the country.

In answer to a question about control [kontrol] of nuclear weapons, the Ukrainian diplomatic head pointed out that this problem has not yet been finally resolved. On the territory of the former USSR, technical control [kontrol] of the means of mass destruction should be carried out by the ministers of defense of the

appropriate independent states, while the political aspects should be dealt with by the heads of these states, A. Zlenko considers.

Kravchuk Confers With Defense Ministry

92UM0276A Moscow NEZAVISIMAYA GAZETA
in Russian 17 Dec 91 p 1

[Article by Vitaliy Portnikov: "The President Is Creating an Army"; What Does Leonid Kravchuk Command, For All That?"]

[Text] The Ukrainian leadership aspires, by all accounts, to a solution of the problem of Ukraine's armed forces prior even to the conclusive establishment of the Commonwealth of Independent States on the political map.

On 12 December President Leonid Kravchuk signed two decrees in accordance with which he will assume the duties of commander in chief of Ukraine's armed forces, except for the troops which are a part of the strategic deterrent forces. The decree observes that the armed forces of Ukraine are to be created on the basis of the forces of the Kiev, Odessa, and Carpathian Military Districts, the forces of the Black Sea Fleet, and other military formations which are deployed on the territory of Ukraine. So the assertion which appeared in the preceding issue of NEZAVISIMAYA GAZETA that in accordance with his wishes, the forces deployed on the territory of neighboring Moldova would also be subordinated to Leonid Kravchuk was a regrettable mistake. And Ukraine's armed forces will be created in stages, what is more, in accordance with the concept of defense and the organization of the armed forces approved by the republic Supreme Soviet. Leonid Kravchuk has entrusted the duties of the commander of Ukraine's armed forces, who is subordinate only to the president of the republic, directly to Colonel General Konstantin Morozov. Prior to 20 January 1992 the defense minister is to have presented the president with a plan of the formation of the armed forces. The minister is to organize strict supervision of the status of the forces and their redeployment and the movement of military equipment, arms, and property. This decree takes effect the day it is signed.

On the day the decree was signed, Leonid Kravchuk and Prime Minister Vitold Fokin held a meeting with the leadership of Ukraine's Defense Ministry, the military districts, the armies deployed in Ukraine, the command of the border and internal forces, the National Guard, and civil defense. Leonid Kravchuk thanked the military leaders for having responded to his invitation and notified them of the main points of the Agreement on the Commonwealth of Independent States concerning the organizational development of the armed forces. He confirmed the need for centralized leadership of the strategic armed forces deployed in the republics. The procedure of the control of these forces would be formulated in a special agreement of the parties to the Commonwealth. As far as the armed forces which are not a

part of the strategic armed forces are concerned, the concept formulated by the Ukrainian parliament remains as before: They will constitute the basis for the creation of an independent army.

Vitold Fokin described problems of the servicemen's social security. The cabinet intends increasing the military's salary scales as of 1 January 1992, raising the wage rates and salary scales of workers and employees of the armed forces and increasing the pay, salary scales, and sizes of the pensions of those released into the reserve. On the basis of the concept of the organizational development of the armed forces, a reduction in the numbers of the personnel is contemplated.

A plan for the social adaptation of former military personnel has been devised also. It includes the opening of faculties at educational institutions and the reprofiling of certain vocational-technical schools for the servicemen's acquisition of new trades. In addition, the cabinet would like to involve discharged military personnel in an extensive network of small businesses and commercial structures.

Of course, the participants in the meeting could not have failed to have inquired whether the orders and commands of USSR Defense Minister Yevgeniy Shaposhnikov would now have the force of law. Ukrainian Defense Minister Konstantin Morozov declared that there should be no dual subordination of the forces deployed in Ukraine: "We are undoubtedly constantly conducting conciliatory negotiations by telephone, and Defense Minister Shaposhnikov knows what is happening. We are coordinating the form and procedure of the change of subordination, and this will by an order of the defense minister be conveyed to the forces in the next few days."

Kiev To Host Talks on Fleet, Military Control

*OW2712162891 Moscow INTERFAX in English
1340 GMT 27 Dec 91*

["Diplomatic Panorama" feature—transmitted via KYODO]

[Text] DP [Diplomatic Panorama] learned that Ukraine had made a protest against the relocation of the air-carrying cruiser Kuznetsov from Sevastopol to a northern port in Russia.

According to an expert in the General Staff of the former USSR, Ukraine is acting in open breach of the Alma-Ata Accords in rejecting the idea of two fleets, its own and Russian, on the Black Sea. He said in an interview with DP that Ukraine's intention to put the Black Sea fleet under its undivided authority must be discussed by the heads of the independent states.

Yesterday Aviation Marshal Shaposhnikov left for Kiev on an emergency visit to discuss the situation with Ukraine's President Leonid Kravchuk and Defense Minister Konstantin Morozov. According to some sources,

the discussion is likely to cover both the Black Sea fleet but also Ukraine's decision to place under its undivided authority all military districts on Ukrainian territory. Kiev plans to control all weapons, equipment and facilities, including storage places and testing ranges.

Ukraine's Defense Minister Morozov issued a number of decrees changing the entire republican troop control system. Now the troops are fully subordinate to the republican defense ministry, not the centre.

National Guard Creation Under Way

*LD2812173791 Moscow Radio Rossii Network
in Russian 1200 GMT 28 Dec 91*

[Text] The creation of the republican National Guard is in full swing in the Ukraine, our Kiev correspondent Mikhail Vidinyuk reports:

[Vidinyuk] Selected young recruits are arriving at the military collectives. Recruitment to the structures of the main directorate of the commander of the National Guard is coming to an end. A two-day meeting of the commanders of the divisions and units has taken place. The military units formed will be sworn in on 5 January. This will take place under the national blue and yellow flags.

The former colors of the military collectives have lost their significance and power. Nevertheless, they will not be dealt with the bolshevik way. They will be kept permanently in the Ukrainian State Museum. As for the future, after the adoption of the national symbols, every unit will have its own colors, which will reflect the national character and the traditions of the concrete region where the unit is stationed.

Servicemen who intend to acquire the citizenship of another state and continue to serve beyond the borders of the Ukraine will be relieved from taking the oath. The training process will begin in the units after 9 January, after Christmas [according to Russian Orthodox tradition]. The personnel will get down to actively studying military skills as well as being instructed in social and humanitarian issues, which have been introduced instead of political education. It consists of two large parts: aspects of Ukrainian history and forces [voysko] and legal education.

Kiev Recruiting 30,000 To Join National Guard

*LD2812032291 Moscow TASS in English
1135 GMT 27 Dec 91*

[By UKRINFORM correspondent Nikolay Zaika]

[Text] Kiev December 27 TASS—The Ukraine is recruiting a 30-thousand-strong National Guard. Its commander, Colonel Kukharets, told UKRINFORM that the guard's main task would be to defend the constitutional system and Ukraine's territorial integrity against unlawful encroachments or attempts to overthrow the lawful government.

Moreover, it will help liquidate the consequences of possible accidents and natural calamities, and will guard Ukrainian Embassies abroad. The guard is being formed on the basis of interior troops.

Colonel Kukharets said the National Guards would be selected individually, on a contest basis. The future guardsmen are to be morally irreproachable, physically and psychologically fit. They must be no less than 175 centimeters tall. Young people, wishing to join the guard, have to present references from their parents, enterprises or educational establishments. Women may also join the National Guard.

Kiev To Gradually Exclude Ruble From Markets

OW2812162391 Moscow INTERFAX in English :
1506 GMT 28 Dec 91

[Transmitted by KYODO]

[Text] Starting from Monday [30 December] Ukraine starts gradual exclusion of the ruble from its market. After three days of debates the Ukrainian Cabinet took the final decision Friday [27 December] on measures in response to liberalization of prices in Russia January 2.

On December 30 the Ukraine introduces multiple coupons. Part of salaries will be give in coupons (in January 40-50%), the rest in rubles. Gradually coupons' share in salaries will reach 100%.

Rubles will be received at the markets and commercial shops, in public catering facilities and services. State-owned shops will receive only coupons. With time the ruble will be completely excluded from the Ukrainian market. Prices, as well as salaries, are expected to double in Ukraine in January. If a shortage of coupons for paying salary occur, one third of it will be transferred to personal account in a savings bank.

Republican Party Demands Cabinet Resign

OW2812161591 Moscow INTERFAX in English
1506 GMT 28 Dec 91

[Transmitted by KYODO]

[Text] The Ukrainian Republican Party (URP) demands that the cabinet of the Prime Minister Vitold Fokin resign. In a statement the URP leadership accuses the

Ukrainian Council of Ministers of being unable to protect the Ukrainian economy in connection with liberalization of prices by Russia.

The URP proposes to form a government of popular trust with Leonid Kravchuk as its head. The statement says one of the first measures of the government should be strengthening the Ukrainian customs border in order to protect the republican market.

Diplomatic Relations Established With Israel

OW2812192691 Moscow INTERFAX in English
1706 GMT 28 Dec 91

[Transmitted by KYODO]

[Text] Ukraine and Israel have established diplomatic relations. The corresponding document was signed by Ukraine's Foreign Minister Antolii Zlenko and by the Israeli Ambassador to Moscow Arye Levin.

France Recognizes Republic, Upgrades Relations

LD2812001591 Moscow TASS in English 2204 GMT
27 Dec 91

[By correspondent Vladimir Shvets]

[Text] Paris December 27 TASS—French consul general in Kiev, Youg Pernet, will soon be nominated French charge d'affairs in Ukraine, official spokesman for the French Foreign Ministry Daniel Bernard said here today.

The FRANCE PRESS News Agency noted in this connection that the upgrading of the diplomatic representation's status signifies the French recognition of Ukraine.

Earlier, the French leadership has mentioned a possibility of the recognition of the former Soviet republics, if their foreign and domestic policies correspond to the EC-declared principles of respect for human and ethnic minorities' rights, and observation of the Helsinki agreements and treaties on control and reduction of armaments.

On Thursday [26 December] evening representatives of the prime minister of the Netherlands—the state now chairing the European Communities—circulated a communique on receiving from Ukraine and Armenia official assertions of their readiness to observe these criteria.

Armenia

Leader on Foreign Ties, Gorbachev Resignation

OW2812111491 Moscow INTERFAX in English
1537 GMT 27 Dec 92

[Transmitted by KYODO]

[Text] President Levon Ter-Petrosyan has said that Armenia's foreign policy envisages normal relations with all countries, first of all with its close neighbors, such as Turkey and Iran.

Lately vigorous efforts were exerted to promote Armenia's relations with Turkey and Iran, President Ter-Petrosyan told IF's [INTERFAX] correspondent Ashot Gareginyan in Yerevan. Judging by the interest displayed by government circles in those countries, these efforts have yielded positive results.

With reference to the resignation of the USSR president, Levon Ter-Petrosyan said: there was no room for Gorbachev in the present political structure because his attitude to the need to preserve the USSR differed from the stand taken by republics. Mr. Gorbachev was undoubtedly in favor of preserving central structures. That is why he failed to find a place for himself in the new, changing circumstances, and therefore his resignation was quite natural, L. Ter-Petrosyan pointed out.

With reference to the composition of Armenia's new government he said that for the time being there are some 10 vacancies in the council of ministers. Half of them will be filled before the year ends.

Azerbaijan

Nagorno-Karabakh Elections Held Amid Shelling

NC2812152191 Yerevan Radio Yerevan Network
in Armenian 1400 GMT 28 Dec 91

[Text] Elections to the Supreme Soviet are being held today in the Nagorno-Karabakh Republic. The republic is divided up into 81 election districts: 70 of them Armenian and 11 of them Azerbaijani. Elections began at 0600 in the rayons and at 1200 in Stepanakert because of the unceasing shelling of the city.

Leonard Petrosyan, chairman of the Executive Committee, said that around 60 percent of the voters in the 70 Armenian election districts fulfilled their duty as citizens by 1600.

The first-ever democratic elections being held in Nagorno-Karabakh are tormenting the Azerbaijanis. SNARK news agency reports that on 27-28 December Stepanakert came under Alazan missile attack from the direction of Shusha, [word indistinct], Malibeyli, and Khodzhalı villages. There are dead and injured. There is also some destruction.

The press center of the Armenian Republic's State Directorate for the Implementation of Special Programs told our correspondent that in response to the brutalities committed by the Azerbaijani side, our self-defense detachments have occupied the village of Kirkidzhan and have forced the Azerbaijani OMON [special purpose militia detachment] out of [word indistinct] and from positions they had occupied.

The election organization work and elections for the NKR Supreme Soviet are continuing.

Troop Withdrawal 'Being Completed'

LD2812162591 Moscow TASS International Service
in Russian 1500 GMT 28 Dec 91

[By TASS-AZERINFORM correspondent Asildar Guseynov]

[Text] Baku, 28 Dec (TASS)—"The withdrawal of the former Union Interior Ministry Internal Troops from Nagorno-Karabakh is being completed. No obstacles have been put in their way by the Azerbaijan side," an AZERINFORM correspondent was told by Major General Tofik Kerimov, the republic's minister of internal affairs. He said today that the military command has also left Khankendi (Stepanakert).

"Thus all the 'attributes' of the state of emergency are being eliminated here. In essence it has now been lifted. Now the republic of Azerbaijan itself is completely responsible for the situation in the region, and in this connection, the necessary measures have been taken," the minister said. He said that one subunit remains in Nagorno-Karabakh: a Soviet Army regiment that has been stationed in Khankendi for many decades. "This regiment must not be drawn into resolving the conflict. Any attempt by it to take part in the conflict may be viewed as a violation of its status," the minister added.

General Kerimov elaborated that "regular Soviet Army subunits which contain no soldiers of Armenian nationality and which guard the border between Azerbaijan and Armenia remain. Their task is to prevent any military conflicts between the two states. And we welcome this."

Tanks, Armor Units Move In

OW2912143791 Moscow INTERFAX in English
1338 GMT 29 Dec 92

[Transmitted by KYODO]

[Excerpt] [passage omitted] IF's [INTERFAX] correspondent reports from Stepanakert that 18 Azeri battalions, each numbering 300 men, are moving in the direction of the Republic of Nagorno-Karabakh. They are accompanied by a column of tanks and armored vehicles. [passage omitted]

Units 'Massively Shelling' Stepanakert

LD3012121891 Moscow TASS in English
1131 GMT 30 Dec 91

[By correspondent Yevgeniy Znamenskiy]

[Text] Moscow December 30 TASS—A tank column of army units of Azerbaijan today took positions on the outskirts of Stepanakert and is massively shelling the city, Oleg Yesayan, first deputy chairman of the Executive Committee of the Council of People's Deputy of the Nagorno-Karabakh Republic told TASS by telephone. One of the shells hit a regional hospital. There are killed and wounded.

The Executive Committee appealed to the United Nations organisation, the European Community, the Commonwealth of Independent States (CIS) and Marshal of the Air Force Yevgeniy Shaposhnikov, commander-in-chief of the CIS armed forces, in an urgent request to help end the combat actions of army units of Azerbaijan against the Armenian people.

The Armenian population of the Nagorno-Karabakh Republic hope that the world community will do everything to save them from extermination, the message says.

Official Rejects Talks Within CIS

LD2712233591 Moscow Central Television First
Program Network in Russian 1900 GMT 27 Dec 91

[From the "TV Inform" newscast]

[Text] An AZERINFORM correspondent reports from Baku that Rasim Musambekov, adviser to the Azerbaijani president, has refuted categorically the possibility of discussing issues on the status of Nagorno-Karabakh within the framework of the Commonwealth of Independent States [CIS]. He said this when commenting on a statement issued by the Armenian Supreme Soviet on the situation that has taken shape in Nagorno-Karabakh and addressed to the parliaments and heads of states of the Commonwealth.

Georgia

Reportage Highlights Tbilisi Crisis Events

Opposition Leaders Freed

OW2712134891 Moscow INTERFAX in English
1115 GMT 27 Dec 92

[Transmitted by KYODO]

[Text] IF [INTERFAX] learned from independent sources in Tbilisi that at 7:00, December 27, the national guards that support the opposition (the guards are led by Tenghiz Kitovani) stormed the KGB building and released Giorgiy Chanturia, leader of the Georgian National Democratic Party, Giorgiy Khaindrava, a movie maker, and Professor Dzhaba Ioseliani. These Georgian

opposition leaders had been arrested after the September unrest in Tbilisi. Details of the attack by Kitovani's guards on the KGB and the number of casualties are not yet known.

Nodar Akhaladze, press-secretary of the Georgian Moscow legation, told IF that the legation had received the report that the Kitovani guards had attacked the KGB building and had freed the three opposition leaders. Tbilisi has not officially denied or confirmed the report, says Mr. Akhaladze. Situation in Tbilisi remains tense, said the press-secretary. Shooting continues near the Government Building.

The report was confirmed at the Moscow representative office of the National-Democratic Party.

At 14:00 local time, the opposition will hold a rally on the Republic Square that will be addressed by Chanturia and Khaindrava.

After the opposition leaders had been released, the storm of the Government Building where President Zviad Gamsakhurdia is besieged ended.

Tbilisi reports that "an information group of free journalists" has been on the air for more than two days already. It uses long waves—1500 to 1600 metres, and ultrashort waves—4.31 mHz. On Friday former Georgian premier Sigua and the guards commander Kitovani went on the air.

According to the Georgian Interior Ministry, Thursday clashes between the authorities and the armed opposition troops claimed eight lives and there were 38 injuries.

Further on Freed Leaders

OW2712184191 Moscow INTERFAX in English
1746 GMT 27 Dec 91

["Bulletin 3" feature—transmitted via KYODO]

[Text] According to Georgiy Zumbadze, the Georgian National Democratic Party's [NDP] permanent representative in Moscow, three opposition leaders—NDP president Giorgiy Chanturia, documentary film director Giorgiy Khaindrava and Dr. Dzhaba Ioseliani—were released from detention in the republican KGB not as a result of a storming attack by "rebellious" guards under Tenghiz Ketovani, but by KGB officers themselves. The three men had been arrested on an order from the government during last September's unrest in Tbilisi.

Mr. Zumbadze told IF [INTERFAX] that the KGB, including its leadership, as well as the Interior Ministry troops, had crossed over to the opposition side. NDP Political Secretary Mamuka Georgadze had been released from detention, too. Criminal elements are still in their cells.

The opposition leaders were freed as a result of Thursday's [26 December] negotiations between opposition activists and KGB officers. Earlier the pro-opposition

guards under T. Kitovani's command had intended to launch a storming attack on the KGB prison with a view to liberating G. Chanturia, G. Khaindrava, D. Ioseliani and M. Georgadze. However, the NDP president warned that he would stay in his cell even if the guards captured the prison.

Communication disruptions have left G. Zumbadze without fresh information about the situation in Tbilisi.

Georgia's permanent mission in Moscow, which does not even have a "hotline" communication channel, has not received any fresh information either.

U.S. Recognition 'Total Surprise'

*OW2712163491 Moscow INTERFAX in English
1340 GMT 27 Dec 91*

[*"Diplomatic Panorama"* feature—transmitted via KYODO]

[Text] The recognition of an independent Georgia by the United States came as a total surprise to the opposition. An opposition spokesman who telephoned IF [INTERFAX] from Tbilisi said that "the news caused bewilderment in Tbilisi" and that "this is not likely to be true."

Secretary of State James Baker had previously criticized the developments in Georgia and Azerbaijan and gave to understand that the U.S. would not hurry to recognize their independence or give them assistance.

Some of the observers establish a linkage between this pronouncement and the dramatic developments in Tbilisi. Under the situation, Washington must have felt obliged to "balance" its approaches to the "Georgian problem" and recognize the republic's independence and sovereignty though the situation in Tbilisi is unclear.

But the recognition does not mean automatic diplomatic relations with the U.S. The establishment of diplomatic relations will be predicated on whether the American terms are met by Georgia, said a U.S. embassy staffer, including "commitment to democratic principles."

Opposition Hold Rally

*LD2712212291 Moscow TASS International Service
in Russian 1645 GMT 27 Dec 91*

[By correspondent Albert Kochetkov]

[Excerpts] Tbilisi, 27 Dec (TASS)—Active armed clashes resumed at 0300 on the morning of 26 December between supporters and opponents of Georgian President Zviad Gamsakhurdia. The attackers shelled Government House, where the republican leadership has taken refuge, with explosive shells from hail-dispersal guns and fired on the building with grenade launchers and heavy machine guns. Incendiary shells also were used, but they failed to set fire to Government House.

Nevertheless, flames have engulfed the buildings adjacent to the government buildings. Buildings that previously housed the republican Interior Ministry and currently house the rayon militia have been destroyed totally by fire. Fire also is raging at this moment in the Georgian National Bank. A series of fires, whose exact location are unknown, have been reported in the area where armed actions are taking place.

At midday, the rebels had strengthened their positions considerably. They now control virtually all the territory adjoining Government House. [passage omitted]

A breach in the literal sense of the word has been made in the Government House defenses; the building's metal gates have been breached by armored personnel carriers belonging to the opposition armed detachments, which are making forays up to the walls of the building and firing point-blank at the windows. Last night the republican radio and television transmitter station on Mount Mtatsminda, which towers over Tbilisi, also came under fire. The station is controlled by supporters of the president.

The morale of the Government House defenders has fallen to an extremely low point. This is claimed by eyewitnesses who managed to visit the building today. They say there are no more than 100 active fighters there—the others are demoralized.

According to official figures, 43 people have been killed and 262 wounded since 22 December.

Humanitarian aid continues to arrive in Tbilisi. Overnight an aircraft arrived from Moscow with bandages and dressings accompanied by representatives of the CIS Red Cross. Medical supplies, disposable syringes, and surgical bandaging were delivered today from the Georgian National Seamen's Association in Batumi.

An upsurge in criminal activities has been observed in the republic. A group of people armed with submachine guns burst into Tbilisi State University and robbed students, predominantly foreign ones. There was a mass escape by 170 prisoners from the corrective labor colony in Khoni, western Georgia. The prisoners were being guarded by subunits of the Georgian Interior Ministry troops.

A rally of opposition forces attended by many thousands of people was held this evening. It was addressed by Dzhaba Ioseiliani and Giorgiy Chanturia, who have been released from prison. Approximately 150 men armed with submachine guns from the Mkhedrioni armed detachments guarded those assembled from possible provocations.

President's Supporters Not 'Demoralized'

*LD2812024691 Moscow Radio Rossii Network
in Russian 0200 GMT 28 Dec 91*

[Excerpt] The situation in Tbilisi: At the present moment, 4,000 well-armed people are in the Georgian

Supreme Soviet Building. They are not getting involved in an open battle with the attackers in order to avoid casualties and bloodshed.

The report that Gamsakhurdia's supporters, who are defending themselves in the Government House, are demoralized does not correspond to the actual situation, it was reported to a TASS correspondent at the permanent representation of Georgia in Moscow, referring to information furnished from Tbilisi by (Konstantin Pilchkhvalava), chairman of the Juridical Commission of the Georgian Supreme Soviet. The permanent representation did not offer any more detailed information. [passage omitted]

'Chaos,' Crime Reported

LD2812110991 Moscow All-Union Radio Mayak
Network in Russian 0900 GMT 28 Dec 91

[Text] The situation in Tbilisi is still tense. The opposition occupies four of the six floors in Government House. People in the building were forced to go into a bunker. According to the IPRINTA Agency, Zaur Kinkladze, deputy head of the Economy Department of the Cabinet of Ministers, has committed suicide. And this is what our special correspondent Vladimir Pasko reports from Tbilisi:

[Pasko] What is happening here can only be called chaos. While politicians are fighting for power, criminals have crept out onto the streets. On Rustaveli Avenue, which was emptied by the noise of gunfire, two scruffy characters, looking around and bending down at the sound of shots, are clearing out a jewelry store through a broken window. Every valuable object has already been stolen. They are putting the rest in a cardboard box. The neighboring stores have also been looted.

A Volga stops by a house. Next to it a Zhiguli stops, with its brakes screeching. Young men jump out of it, surround the Volga and point guns at the driver. He says something to them, gets out of the car, opens the trunk, and takes out a bag of potatoes. The Volga starts off and disappears with the Zhiguli. The owner spreads his hands in a gesture of hopelessness: What can I do? This is lawlessness. All this is happening in broad daylight, in front of dozens of people.

With sunset the streets of Tbilisi become deserted, and you had better not be away from home at that time. Last Sunday a teacher at the Higher Artillery School disappeared. His body was found the day before yesterday in a morgue among 70 other bodies, picked up on the streets.

But one is not safe even behind walls. Last night a student dormitory was robbed. Armed bandits went through all the rooms, and took everything they liked. Yesterday motorized bandits shot at a bus of the headquarters of the Transcaucasian Military District, which was returning to base after delivering officers at about 1900. With two wounds in the back and a hole in the

wheelbase the soldier managed to escape from the pursuers. It is impossible to establish whether the crime was committed by opposition militants, the government guard, or the so-called independent bandits.

Everyone is after vehicles and weapons. About 50 vehicles were stolen last night. Military vehicles are the most sought after. Since the beginning of the year, 600 military vehicles have been stolen in Georgia. The opposition warned the military not to drive in Volgas with government registration plates in order to avoid clashes. The military switched to OAZ [Odessa vehicle spare parts works] vehicles, but they too are being attacked. Soldiers take the handles off the car doors to make it impossible to grab them with a weapon.

Attacks on the military are a special case. Having declared independence, the Georgian Government spoke in favor of the withdrawal of the USSR Armed Forces from the territory of the republic. But the government has split, and now the warring sides appeal in turns to the command of the Transcaucasian Military District with demands for support, clearly alluding to the fact that the families of the military live in the town. The military declared that they would not take part in the strife, but warned that in the event of attacks they would consider the attackers as bandits. It was no empty threat. On 21 December a guard killed two scoundrels who attempted an armed attack on a general. Last night soldiers chased away a group of armed individuals trying to penetrate onto the territory of the artillery regiment. Since the beginning of the year, 17 servicemen have died here.

In November, after the savage killing of a comrade at his flat, the officers of the Transcaucasian District carried the coffin with the body of the victim past Government House. It was an impressive demonstration. We are in control of the situation, spokesmen of the Transcaucasian District command declare. It is clear that generals favor neutrality, but who can be sure that reason will always prevail over emotions among the lower ranks?

President Blamed for 'Tragedy'

LD2812130391 Moscow TASS International Service
in Russian 1119 GMT 28 Dec 91

[Text] Moscow, 28 Dec (TASS)—The whole Georgian Supreme Soviet building, around which battles have been raging in recent days, is on fire, a TASS correspondent was told today by the republic's permanent representative in Moscow, Petre Chkheidze. He also added that the special communications link has been broken off. This was the last link connecting the Georgian president and his supporters who remain in the building.

Chkheidze has confirmed the information that the opposition fighters have already broken into the Supreme Soviet. But shooting in the building itself has ceased—there are too many people there.

According to the permanent representative, talks are planned between the opposing sides. The whole of

Georgia wants this—both the supporters of the president and his opponents. At the numerous meetings one demand is heard: the cessation of bloodshed and sitting down at the negotiations table. Incidentally this is spoken of in the numerous telegrams, letters, and telephone calls the Moscow permanent representation of Georgia is receiving from the whole world.

Petre Chkheidze is convinced that the republic's president could have halted the fratricidal conflict the very first day by entering a dialogue with the opposition. Therefore responsibility for the tragedy lies with Zviad Gamsakhurdia as well.

Talks Under Way

LD2812152791 Moscow All-Union Radio Mayak Network in Russian 1416 GMT 28 Dec 91

[Text] Leaders of opposing forces sat down today at the negotiating table aimed at ceasing the week's bloodshed in the capital of Georgia. The talks are being held in the television building, and the leaders of armed formations are present there. Politicians of the sides involved in the confrontation are not at the talks. In the opinion of observers, the nearest hour would not bring an end to the talks, because the sides are faced with too many questions. The forecast is that, apparently, the long-awaited dialogue will last through the evening.

Journalists report that since this morning, the city center has been relatively calm. In nearby areas, however, sporadic shooting from automatic weapons is still occurring. The American television company CNN has been showing this morning a picture of the center of the town, where a few buildings are engulfed in flames. They appear to be the State Bank of Georgia and buildings near the Parliament. We rang the Georgian permanent representation in Moscow; however, they could neither confirm nor deny our data, because—as Volskiy, official at the representation, said—there is effectively no communication with the city, and the information they receive comes from the people who leave Tbilisi and telephone from other areas of the republic.

Gamsakhurdia himself is at the moment in the so-called bunker and has not appeared at the talks. We reported earlier that the anti-government forces today seized four floors of the Parliament building. However, it appears that the shooting later stopped.

It is not yet known how the talks will end. Ioseliani, one of the opposition leaders, did not rule out the possibility that the clashes will resume if the talks collapse. However, he expressed hope that the sides may come to an agreement.

According to a report from Georgia's Ministry of Health, at least 51 people have been killed in the Georgian capital following a week of clashes, and 283 people have been wounded. So the only thing all the people of common sense in Georgia may hope for now is talks and a peaceful solution of the conflict.

Cease-Fire Worked Out

LD2812154991 Moscow Radio Moscow World Service in English 1500 GMT 28 Dec 91

[Excerpt] Supporters of Georgian President Zviad Gamsakhurdia and spokesmen for the Georgian opposition have worked out a cease-fire agreement. The leader of the independent armed grouping Mkhedrioni, Dzhaba Ioseliani, says the first stage of bilateral negotiations has worked out positively.

Latest reports indicate President Gamsakhurdia is not taking part in the negotiations, which are held in the rebel-controlled building of Georgian television. The initiative to launch the negotiations belongs to the opposition, which is calling for an end to the bloody conflict, which may grow into a civil war.

Except for a few cases of sporadic gunfire, no hostilities were reported today from Tbilisi. The Georgian Ministry of Health estimates the recent confrontation has claimed the lives of 51 people and 283 people have been injured. [passage omitted]

[Moscow TASS International Service in Russian at 1533 GMT on 28 December, in a Tbilisi-dated item on the same subject, reports that the cease-fire "comes into effect today at 1800 local time."]

Military Asked To Attend Talks

LD2812180491 Moscow TASS International Service in Russian 1700 GMT 28 Dec 91

[Excerpt] According to an announcement just broadcast by Tbilisi television, representatives from all army units are expected to attend the talks due to start today at 2100. To recall: A truce was concluded today by representatives of the opposing sides. The talks should have resumed at 1900, but this was hindered by certain circumstances, in particular, the shooting still continuing in the center of Tbilisi and adjacent regions. [passage omitted]

AFP Notes Participants

AU2812210991 Paris AFP in English 2053 GMT 28 Dec 91

[By Christopher Boian]

[Text] Tbilisi, Dec 28 (AFP)—The leaders of Georgia's main militia groups resumed talks here Saturday [27 December] aimed at ending the fighting in Tbilisi but fighters defending President Zviad Gamsakhurdia were not directly represented and renewed gunfire was heard in the city center despite a call for a ceasefire.

The closed-door talks were taking place in a conference room on the third floor of the opposition-controlled television headquarters and participants were whisked inside surrounded by heavily-armed guards.

There were rumors in the corridors outside the meeting that the main militia leaders, which include both opposition fighters and leaders with posts in Gamsakhurdia's government, could decide to form a junta to oust the Georgian president, but these were contradicted by speculation that the talks would fail to produce a breakthrough and that the fighting would intensify.

Between them, the militia leaders command anywhere between 5,000 and 15,000 troops but the substance of the negotiations was being kept secret and the positions of many participants were unclear.

The situation surrounding the negotiations was confused but it appeared that several of the participants with nominal allegiance to Gamsakhurdia were looking for a compromise with opposition leaders.

Among the leaders attending the talks were Justice Minister Dzheni Khetsuriani, Tengiz Kitovani, commander of the rebel National Guard troops fighting Gamsakhurdia's forces, Dzhaba Ioseliani, leader of the Mhedrioni militia and an outspoken opponent of Gamsakhurdia, and Nodar Georgadze, leader of the Union of Afghan War Veterans.

Ioseliani was one of five key anti-government figures freed Friday [26 December] when opposition forces attacked the prison where they were being held.

Most of the nine men involved in the negotiations controlled militia groups and those troops under the authority of officials in Gamsakhurdia's government have so far not been involved in the fighting, informed sources at the talks said.

Gamsakhurdia, whose armed presidential guard supporters inside parliament are estimated at around 300, remained holed up in the parliament building and several reliable sources said the negotiations were taking place without the sanction of the Georgian president.

As the talks continued, huge fires burned out of control in several parts of downtown, notably along Rustaveli Avenue, the main street in the center of Tbilisi.

Residents in the Rustaveli neighborhood and other areas where the fires were burning were seen leaving their homes with suitcases and moving to live with friends or in hotels.

The Iveria Hotel, located at one end of Rustaveli Avenue and used by reporters as a base, was being taken over by opposition troops after their headquarters at another hotel opposite the parliament building was damaged in fire caused by attack from incendiary grenades.

"If you look at the situation now, it is like Lebanon was," said Daniel Sabashvili, the cabinet director of former Prime Minister Tengiz Sigua who has joined the opposition.

The opposition has accused Gamsakhurdia of dictatorial leadership. The Georgian president, elected democratically last May with a large majority, has countered that his opponents are attempting to stage a coup d'etat.

Power Given to Supreme Soviet Head

LD2912042791 Moscow All-Union Radio Mayak
Network in Russian 0400 GMT 29 Dec 91

[Excerpt] [passage omitted] Here is a report from the IPRINDA agency: The second round of talks was scheduled for 2100, but they were interrupted again because the president refused to send his representative. About 0200 local time, a decree by the armed opposition was read out on television which said that all power was being transferred to the chairman of the Georgian Supreme Soviet. Telephone communication with the town is still damaged and shooting continues. This has been an IPRINDA agency report from Tbilisi.

According to an AFP report from Tbilisi, talks between a presidential representative and the opposition did resume yesterday, but the shoot-out continued despite the accord on a cease-fire. Gamsakhurdia, who is under guard in the Parliament building, allegedly had not given permission for holding talks, according to AFP. The correspondent also reports that the Iveria Hotel, situated at the end of Rustaveli Prospect which had been used mostly by journalists, was seized by the opposition since their headquarters in another hotel, opposite the Parliament, had been set on fire.

Supporters Join Resignation Demand

LD2912094291 Moscow Radio Moscow World Service
in English 0900 GMT 29 Dec 91

[Text] In Tbilisi, the capital of Georgia, armed formations of the opposition have occupied part of the Government House, where President Zviad Gamsakhurdia and his supporters are taking shelter. The Government House and nearby buildings are on fire.

The fighting resumed after Zviad Gamsakhurdia rejected the demand of the opposition to resign. Meanwhile, some of his supporters, including two deputy defense ministers and the minister of justice, have joined the demand. In a joint statement signed by a spokesman of the opposition and the president's supporters, Zviad Gamsakhurdia is offered to transfer his powers to the parliament. Opposition guarantees Zviad Gamsakhurdia's personal security.

By official estimates 51 people have been killed in clashes in Tbilisi in the past week, yet according to the independent news agency INTERFAX about 70 people have been killed.

Artillery Fire Reportedly Resumes

*LD2912134691 Moscow Radio Rossii Network
in Russian 1300 GMT 29 Dec 91*

[Excerpt] We have just received a AFP report from Tbilisi that says the exchange of fire has resumed in the center of Tbilisi with the use of artillery today. It looks like President Zviad Gamsakhurdia has ignored another demand by the opposition to resign. This demand has also been supported by several members of the government who defected yesterday to the president's opponents. At the same time, medical personnel who are treating the wounded said today that 170 people have perished during a week of clashes in the capital of Georgia. According to their information, about 450 people have been wounded. [passage omitted]

AFP Says 40 Supporters Surrender

*AU2912152091 Paris AFP in English
1509 GMT 29 Dec 91*

[Text] Tbilisi, Georgia, Dec 29 (AFP)—Some 40 supporters of Georgian President Zviad Gamsakhurdia surrendered to opposition forces Sunday [29 December] and were being held under armed guard in the post and telegraph building in the city center.

The group emerged from the besieged parliament building on to the main avenue and were met halfway by a bus sent by the opposition to pick them up and bring them to opposition-held premises.

Members of the group questioned by AFP said there were still some 2,000 supporters of Gamsakhurdia, many of them armed with at least Makarov pistols, remaining in various wings of the parliament building.

They said food supplies were holding out but that morale among some of Gamsakhurdia's supporters was low.

Fifteen of those who surrendered to the rebel forces had been in the parliament since the fighting broke out December 22. The remainder had gone there earlier Sunday to support the Georgian leader but had changed their minds when they saw the situation in the building.

"I want to go home," said Georgy Razhamashvili, one of those who had spent the past week in the parliament.

"Gamsakhurdia is telling the people that we will win but the situation seems hopeless," he said, adding that the Georgian president seemed tired but determined to hold out.

Opposition guards were taking the names and other personal details of the 40 men and said they would be taken home later Sunday.

President Guaranteed Safe Departure

*LD2912203391 Moscow TASS in English
1857 GMT 29 Dec 91*

[By correspondent Albert Kochetkov]

[Text] Tbilisi December 29 TASS—Georgia's Deputy Defence Minister Besik Kutateladze, heading a group of

troops loyal to President Zviad Gamsakhurdia, said he would continue to fight to the people's interests. Speaking on republican television, he reiterated he wanted Gamsakhurdia to resign. In this case he will guarantee the president and his family security and a safe departure from Georgia.

Opposition Declares President 'Deposed'

*LD2912204291 Berlin ADN in German
1919 GMT 29 Dec 91*

[Excerpt] Tbilisi (ADN)—At a demonstration of more than 1,000 people in front of the University of Tbilisi, Georgian President Zviad Gamsakhurdia was declared to have been deposed, the independent news agency IPRINDA told ADN's Moscow news agency. Several opposition speakers repeated criticism of the dictatorial leadership of Gamsakhurdia, who is still with his family and followers in the bunker under the government building and is refusing to resign. Power in Georgia has been transferred to Supreme Soviet Chairman Akakiy Asatiani, IPRINDA reports, but his agreement has not yet been obtained.

At a gathering in the trade union cultural palace, some 2,000 supporters of the president have accused the opposition of violating the constitution, IPRINDA further reports. Several speakers denied the news put out by Georgian television and demanded that information meetings should be immediately held everywhere. Afterwards the crowd marched to the television building, which is in opposition hands. [passage omitted]

Opposition Ousted From Building

*LD2912213491 Moscow Radio Moscow World Service
in English 2000 GMT 29 Dec 91*

[Text] Georgian Government troops have dislodged the opposition supporters from the parliament building in Tbilisi and got the main square under control after a week of fighting in the capital. The opposition leaders, despite their retreat, have said that they will overthrow the Georgian President, Zviad Gamsakhurdia. They are still urging the president to resign and hand power to the chairman of the Georgian parliament.

Hopes for a peace settlement of the bloodletting conflict between supporters of Zviad Gamsakhurdia and his opponents have not been coming true. Talks were stalled, but after a short cease-fire in Tbilisi, they are going strong again. The opposition has accused the authorities of torpedoing the talks.

Standoff, 'Lawlessness' Continue

*LD3012131291 Moscow All-Union Radio Mayak
Network in Russian 1000 GMT 30 Dec 91*

[By correspondent Vladimir Pasko]

[Text] The situation here has changed little over the past 24 hours. Government House remains surrounded by

armed formations of the opposition. The government guard has broadened the defense zone somewhat, but the initiative seems to be with the other side. There has been no break in the shooting in the conflict zone.

The departure of a number of his supporters has not affected President Gamsakhurdia's determination to retain his post. He remains in the Government House bunker and is refusing all negotiations with the opposition, declaring that he regards them not as political opponents but as conspirators. Television and radio are not functioning, and newspapers are not being published. The president's supporters yesterday met in three places after which they moved in columns toward the city center. They were dispersed by opposition irregulars shooting into the air.

Lawlessness reigns in the city, and banditry is rife. There are constant armed attacks on servicemen of the Transcaucasus Military District in an attempt to seize vehicles and weapons. The military district command regards the attacks as a provocation aimed at drawing the army into the conflict, but it is maintaining its neutrality. The atmosphere in Tbilisi is oppressive, and the population is in a state of depression.

Deputy Defense Minister Dismissed

*LD3012134291 Moscow TASS in English
1317 GMT 30 Dec 91*

[Text] Moscow December 30 TASS—Armed clashes continue in the Georgian city of Tbilisi between opposition and the troops loyal to the president.

According to the Georgian Government statement which arrived to TASS through amateur radio stations, clashes are now spreading from the government building to Shota Rustaveli Prospect. Fighting is now taking place around the former Marxism Institute, the opposition headquarters.

Deputy Defence Minister Besiki Kutateladze has been reported relieved of duties by Georgian President Zviad Gamsakhurdia as a "traitor of fatherland" for taking the opposition's side and supporting the demand for Gamsakhurdia's resignation.

Shooting Continues in South Ossetia

*LD2912143691 Moscow TASS in English
1346 GMT 29 Dec 91*

[By correspondent Valeriy Shanayev]

[Text] Vladikavkaz December 29 TASS—According to reports of the press centre of the Information

Committee, the exchange of fire continued on Sunday [29 December] on the approaches to Tskhinval and in the Znauri District. Ossetian guards returned fire at the positions of militants. Twelve people were hospitalised with bullet wounds.

General Georgiy Kantemirov, interior minister of the North Ossetian Republic, told TASS that another unit of self defence, formed of South Ossetian citizens, left Vladikavkaz on Sunday [29 December] for Tskhinval along the Transcaucasian highway. Self defence units will help Ossetian guards to protect approaches to Tskhinval, observe public order and inspect transport vehicles. Although several units of militants, supporters of the Georgian president were sent from South Ossetia to Tbilisi, there are still some 10,000 Georgian militants and considerable amounts of military equipment near Tskhinval and in adjoining villages.

Troops Diverted to Tbilisi

*LD2712165191 Moscow TASS International Service
in Russian 1210 GMT 27 Dec 91*

[By correspondent Valeriy Shanayev]

[Text] Vladikavkaz, 27 Dec (TASS)—Last night the crisis zones of South Ossetia—on the distant approaches to Tskhinvali and in Znauri Rayon—were again alarming, the press center of the republic's information committee stated today. Residential areas and important economic installations were shelled from the direction of the Georgian villages of Nikozi, Tamarasheni, and Eredvi. Formations of the Ossetian Guards and self-defense detachments returned the fire. No information has been received about casualties.

In the territory of South Ossetia over the past few days, several attempted attacks by fighters on internal troops' check points, barracks, stores, and a helicopter regiment's base have been quickly stopped. As is well known, some of the fighters supporting the Georgian president, as well as military equipment and weapons, have been transferred to Tbilisi. The military is maintaining complete neutrality.

The Georgian side has chosen the tactic of totally isolating Tskhinvali. The ring is being drawn ever more tightly around the town.